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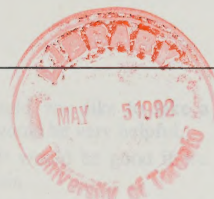




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## Legislative Assembly of Ontario

Second session, 35th Parliament

## Official Report of Debates (Hansard)

Wednesday 22 April 1992

**Standing committee on  
estimates**

Organization

## Assemblée législative de l'Ontario

Deuxième session, 35<sup>e</sup> législature

## Journal des débats (Hansard)

Le mercredi 22 avril 1992

**Comité permanent des budgets  
des dépenses**

Organisation

Chair: Cameron Jackson  
Clerk: Franco Carrozza

Président : Cameron Jackson  
Greffier : Franco Carrozza



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# LEGISLATIVE ASSEMBLY OF ONTARIO

## STANDING COMMITTEE ON ESTIMATES

Wednesday 22 April 1992

The committee met at 1544 in committee room 2.

### ELECTION OF CHAIR

**Clerk of the Committee (Mr Franco Carrozza):** My name is Franco Carrozza; I am the clerk of the committee. It is my duty to call upon you to elect a Chair from among your members. I will open the floor for nominations.

**Mr Gary Carr (Oakville South):** I move that Cam Jackson be the Chair.

**Mr Anthony Perruzza (Downsview):** He hasn't talked to any of us about wanting the Chair.

**Clerk of the Committee:** There being no other nomination, I shall ask Mr Jackson to take the chair as the Chair.

### ELECTION OF VICE-CHAIR

**The Chair (Mr Cameron Jackson):** Members of the committee, thank you for your vote of confidence. As we are being recorded by Hansard, I'll limit my remarks to calling for the election of the Vice-Chair. Could we entertain some nominations?

**Mr Carr:** I move that Margaret Marland be Vice-Chair. She wanted to point out to the committee that she got tied up at a luncheon but that she would be prepared to—

**Mr Perruzza:** I would like to second and support that.

**The Chair:** Having called for and seeing no other nominations, shall we have a vote to make that unanimous? All those in favour? Opposed, if any? Carried.

**Mr Larry O'Connor (Durham-York):** I think that was an even closer vote than the one for your election.

**Mr Gregory S. Sorbara (York Centre):** How come two Tories?

**The Chair:** I think the House leaders felt that was a wise and judicious decision, Mr Sorbara. Welcome to the committee. It's nice to have you at our committee. You're a new member.

**Mr Sorbara:** I would like to say it's nice to be here, but I won't.

**Clerk of the Committee:** To answer your question, it's because the Chair was chosen to be a Progressive Conservative. Therefore, they still have the two members assigned to them. That makes three.

**Mr Sorbara:** I think I understand that, Franco. Who's supposed to be on the subcommittee?

### BUSINESS SUBCOMMITTEE

**The Chair:** Which brings us to our next item. We would like to entertain nominees to the subcommittee. Have the caucuses discussed this?

**Mr Perruzza:** Not in any detail.

**The Chair:** Would you like to take a moment and provide a name? It would be very helpful.

**Mr Perruzza:** It would be good if we could caucus for a minute, Mr Chair.

**The Chair:** I don't wish to seize the hearings, but if you take a moment, I think Mr Carr may be ready with a nomination.

**Mr Carr:** Yes, I move Margaret Marland.

**The Chair:** You submit the name of Mrs Marland to represent the third party.

**Mr Sorbara:** I would like to nominate the new member for Brant-Haldimand.

**The Chair:** Mr Lessard, can you provide me with a name?

**Mr Wayne Lessard (Windsor-Walkerville):** I would like to nominate Mr Perruzza.

**The Chair:** It may be asking too much for him to sit on a small committee with Mrs Marland after that vote of support.

**Mr Lessard:** I thought he was a perfect candidate.

**The Chair:** I have received the nomination. Did you wish to withdraw it, Mr Perruzza?

**Mr Perruzza:** I think you should give us a minute so we can discuss this—three minutes. We will be forwarding a name as soon as we do that. Can we have a couple of minutes?

**The Chair:** I would like to return to this item and, if we can, move to item 4 on the agenda. Is that acceptable? I have two out of the three names.

**Mr Perruzza:** So before we adjourn, we'll come to it. You'll give us a couple of minutes.

**The Chair:** Absolutely.

**Mr Sorbara:** We don't need a government member on the subcommittee. Let's just forget it.

**The Chair:** Mr Lessard, you will withdraw the nomination just so this is proper and legal.

**Mr Lessard:** Yes.

**The Chair:** Then the Chair rules that we will return to this item, not having received a nominee from the governing party.

We should welcome back our clerk, Mr Carrozza, as the Legislature has seen fit to maintain his responsibilities with this committee, and that continuity is appreciated. He has prepared several documents which he will address at the moment. Hopefully, members have had an opportunity to have a look at those documents, but it will form the basis for what I hope will be a brief discussion, as this is basically a business organizational meeting.

**Clerk of the Committee:** Because there are a number of new members on the committee, I have prepared a



package that contains the standing orders relating to the working of the committee. Those are standing order 104, which gives the mandate to the committee, and the more important ones, standing orders 54 to 63, which deal with the choosing of the estimates and the manner in which the process takes place. I have also given you a background paper prepared by the former researcher to the committee which outlines the estimates process across Canada, which includes of course Ontario and the federal.

**The Chair:** That's an updated report. It was commissioned several years ago and it's been updated. Several members wanted to know what our procedures would be, and some wanted to know what other jurisdictions are doing. It's there for your information and it's very current.

**Clerk of the Committee:** The three remaining reports are with a view to what happened last year. What I have done is given you an actual time line of how the committee met and what it discussed concerning the choosing of the reports and the way the estimates process was dealt with. This is the report which contains three pages. It has the process we went through in choosing the estimates, supplementary estimates and so forth. On the second page, it has a recommendation concerning—basically, we had difficulty completing the estimates, and this is contained in the second set of reports, "Estimates Reviewed by the Committee," which outlined the actual estimates we have reviewed.

#### 1550

In 1990 there were six of them; we completed those. In 1991, beginning June 4, the committee chose 12 estimates and we were able to review only six. There were a number of reasons for that: The budget came down later than usual, the summer recess was in between, and we just ran out of time, really. That is why the report I've given you has a recommendation for you to review.

What it says is that perhaps you should consider meeting very soon to choose the estimates you wish to review, prior to the budget coming down on April 30. That will allow you extra time. First, you will have identified the estimates you will choose. Then we can notify the ministries and they can prepare the briefing books for the committee. That usually runs for about two weeks; they will prepare those briefing books in about two weeks.

We know the budget will come down on April 30. The standing order provides that after five days the estimates of the government will be tabled with the Legislature, and then two weeks after that we will have the briefing books. If you were to meet next week—this is just hypothetical—and choose the ministries you wish to see, then the process will begin. I will notify the ministries that they have been chosen but that a date has not been set yet. However, because the budget comes down on the 30th, then the process will go on by itself.

**The Chair:** Perhaps we could stop there, because I think it is important that we build on an understanding and make sure everyone is aware; we have several new members of the committee. To recap, we did not complete our mandated number of estimates in our last sitting. The committee identified this and was unanimous that this was a concern. This report basically analyses what happened last

year and brings us to some conclusions about how we might mitigate a repeat performance.

I would like to review the four points on page 2 of the report that I asked Franco to prepare, because they are the ones that should be discussed.

**Mr Gilles Bisson (Cochrane South):** Mr Chair, can I have a copy, please?

**The Chair:** There's an extra copy there. Let me just read on page 2:

"In analysing the estimates process, I have noted that there are four areas in the process that have consumed a considerable amount of time, which led to the committee's inability to complete its chosen estimates."

"1. The budget date is chosen by the Treasurer." It's outside the committee's control.

"2. Meeting dates: These are chosen by the three House leaders." Again, they're outside the control of the committee.

**Mr Sorbara:** Excuse me, Mr Chairman, can I interrupt you there? Does this committee not have specific dates it is to meet on?

**Clerk of the Committee:** Tuesday and Wednesday.

**Mr Sorbara:** Then why are you saying that meeting dates are chosen by the three House leaders?

**The Chair:** Because we are also bound by the time that we can sit during the course of the year, and we can only sit when the House is in session. Therefore, having been told we can meet only two afternoons a week, there aren't sufficient afternoons during the House sittings to complete. For us to sit outside House time, which is what we've been doing for the last two years, we can only do that with the permission of the House leaders, and therefore completion of estimates as set out in our standing orders very much sits in the offing of a negotiated conclusion between the House leaders and part of the traditional bartering that goes on between House leaders that estimates may be more or less important than some other bill coming through. I'm not saying anything out of order when I reference that that kind of dialogue occurs between the House leaders, and that's where estimates end up, in that mix of horse-trading, as it were. So that's the clarification.

**Mr Sorbara:** Okay.

**The Chair:** I'll just complete this report verbatim.

"3. The choosing of ministries or offices review," and that is within the committee's control; then,

"4. The printing of the ministries' briefing books," which is not in the committee's control but, as you know, the House rules say they should be within 10 days. Franco's report, if you read it carefully, indicates that it was three-plus weeks before the first briefing notes started to trickle in.

That is the problem that confronts the committee. We're basically now wanting to have a brief discussion up front and not in June when we realize we're in this difficulty.

We can anticipate being in this similar kind of difficulty when we examine the second document which Franco has tabled. That is the fact that the Treasurer has

chosen April 30 and that, according to the House rules, Management Board estimates have to be tabled five sessional days later; that will be the following Thursday. Briefing books occur another week after that, but it's not been set yet as to when those briefing books will be available. That's what we want to discuss. Franco finishes his comments by suggesting that we may wish to begin the process of selecting those ministries in the rotation now so that we can advise the ministries, instead of waiting for their briefing books to make the decision as to which are the nominated ministries.

**Mr Sorbara:** I understand from what you have just explained to us that it's more or less three weeks to a month before we begin to actually examine estimates.

**The Chair:** Yes, but we've taken three to four weeks from the moment we get the briefing books in order to do the selecting. We've traditionally done the selecting after the briefing books arrive, built on the theory that one chooses a ministry after one's examined the books and figures there are some problems with those books.

**Mr Sorbara:** But there are three or four intervening weeks. Can we not begin at the next meeting to examine estimates that we have not yet examined?

**The Chair:** No.

**Mr Sorbara:** Why?

**The Chair:** Because the standing orders clearly indicate that at the moment I report on your behalf to the House—I report in November on all the estimates of all the ministries. Once that's reported, we are deemed to have done our job. That's the law. We cannot convene hearings on estimates for which we do not have the briefing books and the supporting documents, as again the standing orders require that we have them in order to conduct them. We're really only trying to mitigate time lost between now and the first opportune moment to bring a ministry to this table. That's really what we're trying to do.

What we would need is this committee's support for the subcommittee to begin the process of talking to your individual caucuses and asking them which ministries you wish to select in your rotation. That's really what we would like to achieve, if that's the wish of the committee.

**Mr Bisson:** What you're asking seems reasonable. We can do exactly what you're saying. At our next meeting, we can come back from the subcommittee and decide which ones we're going to take in rotation. I think taking six makes sense. We may as well work at what we can get at rather than setting a task that's too big and that we can't get to. On that note, we'd be agreeable to move ahead with that.

**Mr O'Connor:** Before we actually have a subcommittee, our caucus needs to nominate somebody. I nominate Gilles Bisson to be our whip and member of the subcommittee.

**Mr Bisson:** Thank you.

**Mr O'Connor:** Having somebody nominated, perhaps we would have a subcommittee that could meet and discuss the different ministries, some that had already brought their estimates to the committee and some that we

didn't have the possibility of examining last year but that we may perhaps want to continue with this year's estimates. I would leave that to the subcommittee to talk about and decide.

**The Chair:** All right. It's somewhat unorthodox, but as I didn't have a motion on the table, I will entertain that as a motion. We don't need a seconder. I have Mr Bisson nominated. I have his concurrence that he will stand. Are there any further nominations for the NDP subcommittee representative?

There being no further nominations, I would declare Mr Bisson nominee. That completes that portion of business now.

1600

#### COMMITTEE BUSINESS

**The Chair:** I've heard two comments. Are there any other comments before we entertain a motion about how to proceed?

**Mr Sorbara:** I'm trying to understand the procedure. Is it necessary to choose all of the ministries by a certain date? Is there a way we can use our time optimally and at the same time maintain a degree of flexibility? In other words, how can we arrange our affairs so that we can begin to examine these guys and their spending habits as soon as possible, but leave the opportunity as we proceed into, I take it, November and December?

**The Chair:** No. Mr Sorbara has raised several questions that I would like to clarify. First of all, it is possible to pick a number less than 12 and revisit it and top them up.

Second, in the clerk's presentation before you, he sort of sets out the scheduled meeting dates. As you look at that document, you will see that we have to report by the 19th, and that a very positive picture shows that we at best will do eight ministries of the 12. The reason is that we are impelled by the standing orders to report to the House by the third Thursday in November. Only the House leaders by unanimous approval can lift that and allow us to sit beyond that date. Is that clearer now?

**Mr Sorbara:** Yes. There is nothing in here, however, about meeting when the House is not sitting. Is it customary that this committee does not meet when the House is not sitting, that is, during the summer recess?

**The Chair:** Our standing orders suggest we can only sit while the House is sitting. Should we require to do so, it would need a motion of this committee, which would be presented to the House leaders for presentation and approval in the House.

**Mr Sorbara:** Let's get down to the practical realities of it. Does that ever happen, or does the government—

**The Chair:** Yes. As a matter of fact, the last provincial election occurred at a time when it interrupted the estimates process. If you return to "Estimates Reviewed by the Committee," for the 1989-90 estimates year, which is at the top of the page, we returned to the House some time in October and our committee had not undertaken a single estimate, so at that time the House leaders agreed to allow this committee to meet after Christmas and to change the



reporting date from November. As you can see, we reported as late as March 18, 1991, for the 1989-90 estimates, and we completed those six. So it has been done. We received some short time this last session in order to do it. However, I must tell you we have been turned down as frequently as we've been approved for meeting outside of House sitting.

**Mr Sorbara:** If I might just put another question to you, you tell me that as a matter of practical reality we can choose eight ministries, we can choose up to 12—

**Clerk of the Committee:** It is a minimum of six, a maximum of 12.

**Mr Sorbara:** But we are liable to deal with eight, given the time available. Does the committee have the flexibility, having requested 12, to set its own calendar and decide that it looks now like a good idea to move to Consumer and Commercial Relations, as they're going to become the big gamblers in the province and are going to set up these casinos?

**The Chair:** Okay. There are two areas of flexibility for the committee and I'll address both separately.

**Mr Bisson:** I see this is a very non-partisan committee.

**Mr Sorbara:** It has nothing to do with partisanship. These are important issues. You have to look at this stuff.

**The Chair:** Mr Sorbara, which question did you want to answer first?

**Mr Sorbara:** I'm just responding to an interjection.

**The Chair:** Go through the Chair, please.

You've raised two important points. We have flexibility in terms of time, but once we set the sequence of ministries, we must follow that sequence. So once the eight are chosen we are locked in to do those eight.

**Mr Sorbara:** Is that under a standing order?

**The Chair:** Yes. Once we've chosen them, we've chosen them. We notify the ministries. The ministries then proceed to undertake preparations, adjusting the minister's schedule. As I recall, when you were a minister and I was your critic for two or three estimates procedures, it disrupted your schedule, and that is a courtesy we extend to all ministers in order to ensure they can attend and that they can attend fully briefed with their staff. So we don't change the sequence once we've established the sequence.

What we can change or what we can determine is that each rotation—in other words, your caucus will lead off and pick the first two ministries, up to a total of 15 hours. You may choose to do 10 hours of Health and one hour of Consumer and Commercial Relations and yield the remaining four hours. You have the right to submit it in that form. It has not been done, but you have the right to do it. In other words, you can reduce the total number. Does that answer your question?

**Mr Sorbara:** I don't quite understand the final point. We, as the official opposition, get a call on the first two estimates.

**The Chair:** Then it goes to the third party and then the government, so that will be what's deemed the first round, and that is up to six ministries, up to 45 hours. Then

the second round would again commence with your next two nominees, the Tories' and then the government's; that would bring us to 12 ministries and up to 90 hours.

**Mr Bisson:** Can I make a motion that maybe would solve this fairly amicably for everybody? The motion would be that today we direct our subcommittee members to go back to their caucuses and choose their first draft, the first two ministries each. We would then come back and report as a committee next week and we would give those six names to the clerk of the committee in order to notify those ministries to start getting ready. We can save the second round until later on, in case, as the member for York Centre has raised, there's another ministry out there you want to look at, because you've had the opportunity after May some time to look at the briefing books, and you can bring them up at that time and that would cover it all.

**The Chair:** Mr Bisson asked permission if he could do a motion. He can, but he didn't specifically say that was his motion. Let me ask Franco to respond, because I'm now led to believe that we must report to the House those ministries we're going to choose in total.

**Clerk of the Committee:** Let us assume you choose 12. The next step is that the committee prepares a report for the Legislature. In that report it will state the 12 ministries you have chosen.

**The Chair:** In the order.

**Clerk of the Committee:** And automatically the rest of the ministries are deemed to be reported. Therefore, if you choose six "we beg to report," you lose the other six.

**Mr Bisson:** Just a point of clarification, through the Chair. My understanding is that you don't have to do both rounds at the beginning because we don't have the documentation from the ministries at this point based on the budget not being delivered. My understanding is that you can do one round now and you can do the second round later after May some time.

**The Chair:** We can't do one round now. We cannot begin this process until the following things occur: First, the budget has to be tabled. Our standing orders then say a certain period of time must expire at which point estimates books have to be tabled in the House from every ministry. We cannot begin the process until a brief time after the tabling of those reports. The only thing this committee really can do to facilitate a speedier start is to do the selection process now or before the briefing books—I keep calling them briefing books, excuse me—the estimates books are tabled in order that we don't lose another two, three or four weeks as we did last year. We are coping with the extended time for the Treasurer picking his budget. It used to be in early April and now we're seeing it in late April. Sometimes it was before the new year started; I mean, we used to have budgets in February. Ron, you remember those days.

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**Mr Sorbara:** So you're telling us that advice would be informally given to a ministry, and the report from the committee after budget day will formalize that process—



**The Chair:** Yes, and where that will benefit the committee is simply in this fashion: If three or four estimates books are holding up all of their tabling in the House, the House leaders can agree that as you've only chosen these 12 ministries, then we'll make sure that those estimates books are ready on time. In Franco's report he tells you that even though the standing orders required estimates books to be tabled they weren't tabled within that time frame. That's item 2 of the things outside our control. If one ministry's late and the government says, "Well, sorry, it's going to take a month before we table estimates books," meanwhile the committee can't start because we're waiting for a ministry that we're not even going to examine. Do you see what I'm suggesting?

**Mr Sorbara:** Yes, and just for greater certainty, other than making these choices this committee hasn't got anything to do between now and May 26.

**The Chair:** Right. You now have it all, Mr Sorbara.

Can we recap what is required from each caucus? It is customary, but it's within each caucus's purview, to go back and discuss this matter, and an election is generally made by the caucus, so the subcommittee nominee is charged with the responsibility of speaking on behalf of his or her caucus.

So I would like to entertain three motions, if possible: (1) that the subcommittee meet very soon, and someone can be specific with that; (2) that the subcommittee reps approach their caucuses to submit their nominated ministries by a certain date; (3) that a committee meeting be held, and try and be date-specific. Then we can begin the process of informally notifying the ministries, to assist them, those that will not be chosen this year and those that are going to be chosen, so they know that we need their briefing books—there I go again—their estimates books in sufficient time.

**Mr Bisson:** Just a question. By when does the clerk of the committee want to notify the ministries? You were saying something about being able to get that done in time. There's about a four-week lag after we've notified.

**Clerk of the Committee:** The dates that we're working with are April—

**Mr Bisson:** You want to meet by the 26th.

**Clerk of the Committee:** Yes.

**Mr Bisson:** So in the motion the Chair is calling for, you would want to have us meet as a subcommittee, come back as a committee and give direction to the clerk by May 1.

**Clerk of the Committee:** We cannot meet as a full committee to review the estimates unless we have the briefing book. You mean to review—

**Mr Bisson:** No. What I'm saying is that the Chair has called for a motion saying to charge the subcommittee to choose the nominees from each caucus. The second part of the motion is to meet as a committee to make the decision and give you direction to notify which ministries. But my question to the clerk is when you want that process done by, because you're saying here you want to meet on the 26th with the first estimates, which means we need at least

three and a half to four weeks' lead time to get that ministry ready to do estimates.

**Clerk of the Committee:** If it's possible for the subcommittee to meet, let's say, next Tuesday.

**Mr Bisson:** Okay. That's all I need.

**Clerk of the Committee:** Then the week after that the full committee can meet to discuss the choices and set out extra dates for the process to proceed.

**Mr Bisson:** Does somebody have a calendar? Thank you; that makes our life easier. Mr Chair, I would be prepared to make a motion to that effect.

The motion would read that the subcommittee to meet on Tuesday, April 28, after question period. The subcommittee is to do the business of the subcommittee—I won't get into detail—and to meet as a whole committee by the 29th. Would that be too soon?

**Mr O'Connor:** The next day.

**Clerk of the Committee:** The next day? That's fine with me.

**Mr Bisson:** Okay, at which point the committee as a whole will give direction to the clerk to notify which ministries will be in the order of selection.

**The Chair:** Tuesday is caucus day for all three caucuses.

**Mr Bisson:** No, in the afternoon.

**The Chair:** I just want to make sure that Tuesday morning is caucus day for all three caucuses, because this motion wouldn't be helpful to a caucus that doesn't meet on Tuesday.

**Mr Bisson:** But the subcommittee will meet after question period.

**The Chair:** That's fine. I just want to make sure that all three caucuses are still meeting Tuesday mornings.

**Mr Bisson:** Yes.

**The Chair:** Very good. Do I have a seconder for the motion? Mr O'Connor. Any further discussion?

**Mr Sorbara:** I'm looking over these standing orders—do you want to have a vote on that first?

**The Chair:** No, I'm entertaining discussion. If it's to the motion, I'll entertain discussion.

**Mr Sorbara:** Okay, it can be to the motion. I'm just looking over the standing orders and looking for the place where it says that the decisions of the committee shall be reported to the House. In other words, the report of the meeting that we are—

**The Chair:** The report of the selection of ministries.

**Mr Sorbara:** Yes. Franco, I wonder if you could help me with that.

**The Chair:** He's examining that. Would that interfere with you taking a vote at this time? Your motion doesn't suggest that all 12 ministries be chosen at that time.

**Mr Bisson:** According to what the clerk was saying at first, we have to.

**Mr Sorbara:** Yes, we do.

**The Chair:** No, it says up to 12.

**Mr Bisson:** But we would make our full selection of either six—up to a maximum of 12 by that time.

**The Chair:** Right. I just asked if your motion included a number.

**Mr Bisson:** No, not at this point.

**The Chair:** It does not. Thank you.

**Mr Sorbara:** The real substance of the question was whether or not we would be in a position a week from now to make our choices. I'm not sure that the answer to that is yes; it may be that we want to see what the budget says first. We've heard about significant new taxes in the budget. The Treasurer's already told us about that. We expect that casino gambling is going to be given an imprimatur in the new budget or shortly before that by the Premier; we've heard that there are going to be significant cuts to a number of ministries; the Treasurer has already said that he expects significant cutbacks in the services that are being provided. All of this is going to be in the budget: new taxes, casinos, cuts to programs—who knows what else? User fees for health care. The government party used to be against that, but you never know.

**The Chair:** Former cabinet ministers' pensions. It could be a number of things. Mr Sorbara, I think you've made your point. May I suggest something to facilitate—

**Mr Sorbara:** I don't think I've finished making my point. So it may well be that we need the opportunity to hear and look at the budget before we report. That only puts it off—I'm sorry, we meet Tuesday and Wednesday. Is that correct?

**The Chair:** That's correct.

**Mr Sorbara:** So it may be far better to make that decision one week later, because I would hate to be in a position to have made those choices and then find out later that we gambled and lost because of the kind of dire consequences that are in the budget. Just putting it off one week gives us a much better opportunity to make informed decisions. I would hope that—we control the subcommittee, in any event, so that's not a problem, but I hope the government wouldn't try and ram this through.

**The Chair:** It was a friendly motion, Mr Sorbara.

**Mr Bisson:** My God, Mr Sorbara.

**Mr Sorbara:** I'm a little worried about that. I really am.

**The Chair:** Don't be too worried, because the clerk's going to clarify something for you. We still have a motion on the floor when Mr Sorbara is addressing it.

**Clerk of the Committee:** The standing order you're looking at is 58(a). It doesn't have a date when you have to report back to the Legislature. The budget must be presented first. The motion we will present will itemize each expenditure of each ministry and each program, so you could finalize it if you so wish.

**Mr Sorbara:** We could finalize our list when? After the budget is presented?

**Clerk of the Committee:** Yes. This is the whole exercise, trying to save time. If you do not wish so, you just speak to it.

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**Mr Sorbara:** Once we have finalized our list and reported to the House, we are locked into that schedule, I am told.

**The Chair:** That's correct.

**Mr Sorbara:** I would like to know what locks us into that schedule.

**The Chair:** The fact that it's reported to the House.

**Mr Sorbara:** But I'd like to see the language of the standing order.

**The Chair:** Clause 58(a): "All other estimates not selected for consideration by the standing committee on estimates shall be deemed to be passed by the committee and shall be reported back to the House."

**Mr Sorbara:** That's the other estimates, but that's not the section that says we are locked into consideration in the order that we choose initially. Do you see what I mean?

**The Chair:** In clause 57(c): "The estimates of the ministries and offices shall be considered in the order in which they were selected as provided in clause (b)," which is new.

**Mr Sorbara:** I make my point once again. This is probably going to be the most draconian budget this government will present. To choose estimates and make those decisions before we see the budget is a little foolish, wouldn't you say, Gary?

**Mr Perruzza:** Why can't you be a little bit more optimistic than that?

**The Chair:** Mr O'Connor requested a comment and then Mr Carr.

**Mr Carr:** The problem is that if we don't get them in, we're going to miss the total numbers of ministries being looked at. I think you can probably make a pretty good guess on what's going to happen in the budget, the ministries that will be affected. They may change a little, but the ministries that have been historically the ones affected will be this time as well.

I think what we're saying, just to help Greg a little bit, is that if we don't do it now and get the estimates books, we won't get as many done. So for the sake of hearing the budget, we may lose some ministries off the other end so that we don't look at as many.

The last time, the problem we ran into is that during a period when we say we have a lot of problems and we want to take a look at where we're spending our money, we probably looked at fewer ministries than any other estimates committee has looked at. This committee didn't get a chance to look at as many estimates, so I think what we should do is—essentially, what it boils down to is get the thing in the works so we can get as many ministries done and get them looked at. Otherwise, if we don't get it, we potentially could end up with what happened this year.

**Mr O'Connor:** I was going to take a stab at clarifying, but you did: the fact that once you choose your ministries, then the rest are deemed to be accepted and reported to the House so we can't go back and take a look at it a second time. So we have to make our decision beforehand.



Mr Carr is quite right. We did run out of time last fall in taking a look at estimates, and the ministries do go through an awful of work in preparation for coming to this committee. It seems a shame that we don't have an opportunity to take a look at all the fine work done by our civil service, the work that has gone into it.

So basically where we're at is a decision maybe that has to be looked at and discussed by the subcommittee. We could probably agree, as a committee, as to whether or not we want to—because of the number of hours we get and allot to each ministry, we're probably only going to be losing one ministry by waiting that extra week. That's one other way of looking at it as well.

**Mr Sorbara:** I have indeed presented estimates as a minister and—

**Mr Bisson:** Was that during the draconian Liberal government?

**Mr Sorbara:** Yes, it was when the province was experiencing economic growth, when employment was at record high levels; not like now when 100,000 jobs were lost in the province.

**Mr Bisson:** All you have to do with Mr Sorbara is touch the button and he just goes—

**Mr Sorbara:** Why don't you just let me finish, okay? Ministries can prepare estimates books if they are given the marching orders to do that. Thursday, May 7. The standing orders say we can't change the order, so we say, "Okay, we can't change the order." The standing order says you've got five days to table your estimates, that they should be in the Legislature five days after the budget.

**The Chair:** That's correct, and they haven't been.

**Mr Sorbara:** They ought to be.

**The Chair:** We'll discuss that in a moment.

**Clerk of the Committee:** There are two different ones.

**The Chair:** The primary estimates books, but that's still the estimates that are required of this committee, supplementary estimates. But we can proceed on the basis of the primary estimates, Mr Sorbara, you're correct.

**Mr Sorbara:** No ministry likes to come before an estimates committee. It takes the time and energy of a lot of civil servants who've got, in their view, better things to do. It takes up the time of the minister, it takes up the time of the deputy—those ministries that still have deputies. I just point out for the record that there is no Deputy Attorney General, there is no deputy for Transportation, there is no deputy in Management Board right now. The government is basically falling apart.

Nevertheless, the standing orders say to get the material before the Legislature five days thereafter. By my count, that's something like May 6 or May 7, and Franco has it down here. That leaves almost three weeks before the first day you've suggested we could begin sitting. There's no reason in the world the first ministry could not be in a position to come before this committee, if it is going to abide by the standing orders, and present its estimates. Yes, it takes a lot of work, but that's what goes on here. Am I missing something? Is there a tradition of

deferring to a ministry when it says it wants another week, two weeks, a month or two months to prepare its estimates book?

**The Chair:** The committee was late in coming together, and it was late partly because we hadn't received the estimates books. Is it the responsibility of this committee to go to the House or go to the Speaker and say: "Speaker, our rights have been violated. The standing orders say we cannot undertake an examination of the expenditures of this government because they're late with their books"? We did not do that. This committee may choose by separate motion to address that issue should it occur.

We should work with the assumption that this is no longer a new government and that this government now can put together estimates books on time. I think that's a fair statement to make. It's not a new government any more. Perhaps they will be on time, and maybe they can meet the time lines. If that's the case, then we can meet earlier. But what we are achieving today is to make sure that not one day is a delay because this committee has failed to meet, because that's the domain we control.

**Mr Sorbara:** Maybe the solution would be something like agreeing on which ministry shall be the first ministry, just agreeing in an informal way and sending out that advice as soon as we can come to that agreement. But I think it's foolish in the extreme to say a committee that is charged with examining the expenditures of a government should decide which of those expenditures it will examine before the government announces how it's going to spend its money. What could be sillier than doing that? It's like saying we will conduct our examination in the absence of any evidence.

Let me just make one more point if I can.

**The Chair:** If it's brief. This is the second time you are speaking to this motion.

**Mr Bisson:** He's trying to make sure he gets it right the second time around.

**The Chair:** He's actually been very helpful, Mr Bisson, because your motion does create some complications, and I wish to address those as soon as Mr Sorbara is completed, but I am listening to Mr Sorbara now.

**Mr Sorbara:** There have been a number of suggestions by the Premier and others that the budget may contain some very significant reorganizations of government. We hear, for example, that there's not going to be a Ministry of Tourism and Recreation down the road, that it's going to be put into the Ministry of Industry, Trade and Technology. We've heard that parts of other ministries are going to be blended with existing ministries. There is every reason to expect that there isn't going to be a Ministry of Skills Development any more and that that announcement is going to be made in the budget.

If we're going to casinos, and apparently we are, that's going to be under the jurisdiction of some ministry or other. We don't know whether it's going to be under the Ontario Lottery Corp, which stands to gain a few more bucks and hire a few more people in Sault Ste Marie, if it's going to do that. Or is it going to come under the charitable



gaming legislation? Mr Bisson is saying it's not, so I assume it is going to come under the Ontario Lottery Corp, which is in Tourism and Recreation.

1630

**Mr Bisson:** I'm shaking my head in disbelief that you can go on for so long.

**Mr Sorbara:** Frankly, everyone is waiting with great anticipation to see what further damage the government is going to do to Ontario and the Ontario economy in its budget. For us to simply say that we'll look at Skills Development or we'll look at Colleges and Universities or we'll look at, heaven help us, Tourism and Recreation before we know what is going to happen, including the possibility of very significant restructuring of government, would I think make this committee rather the laughingstock of the Legislature.

**The Chair:** If I may recap, because we do have a motion on the floor, and if I might offer a suggestion—this takes me slightly out of my role as Chair, but I'm going to do it.

**Mr Sorbara:** But you're a facilitator as well, so we want to hear what you have to say.

**The Chair:** I'm trying to, at the moment. I believe Mr Bisson's motion is structured with the best of intent, but Mr Sorbara's point would—

Should I wait till you two are finished? Why don't you hear what I'm going to suggest and then you can tell him how he should vote, okay? It's not helpful. I'm discussing Mr Bisson's motion and he can tell me he needs more time, but I was speaking to a member of the committee. Thank you.

Interjection.

**The Chair:** I know you can't speak into the mike, but you were speaking into his ear. I am talking to the member.

Mr Sorbara suggests that for want of a week, all three caucuses would have the benefit of understanding what was in the Treasurer's budget. We lose nothing by taking an additional week and amending, for your friendly suggestion, that Tuesday, April 28, become Tuesday, May 5, for the subcommittee and that the full committee meet on May 6.

It strikes me, as I listened to the contributions of the members, that the change in those dates would not in any way reduce the earliest possible starting date for our mandate yet provides what protection is actually in our standing orders to ensure that Mr Sorbara and his caucus have an opportunity to make the selections after the budget has been tabled.

I think if that could be entertained as a friendly amendment then we could come to a vote on that. Is that helpful?

**Mr Bisson:** First of all, the motion was put forth at the recommendation of the Chair through the clerk. The instructions we were given at the beginning of this committee meeting was to get the selection done first. The government member, the whip, meaning me, made the motion in that respect because it would seem to be the direction the clerk wanted us to go. After a very long,

uneloquent speech on the part of a draconian opposition party, obviously there's some—

**Mr Sorbara:** There's no need for this.

**The Chair:** Mr Sorbara, we're about three minutes away from completing our business. Please, we can all be kind and helpful here.

**Mr Bisson:** I knew I could find another button by the end of the day.

**The Chair:** Mr Bisson, please continue.

**Mr Bisson:** I just wanted to hit another button.

I'm quite prepared to change the dates on that motion to accommodate, if it is the wish of this committee, in order to get the selection after May 15 or June 15. That's fine. We're just trying to accommodate the members from the draconian opposition.

**The Chair:** Therefore, the minutes will show that you have amended your motion to read, "The subcommittee shall meet on May 5"—

**Mr Bisson:** It would be to have the subcommittee meeting next week. Would that be agreeable with the opposition?

**Mr Sorbara:** That's great. I frankly don't understand the gratuitous insults. Is that standard? I'm new on this committee. I defer to the Chair.

**Mr Bisson:** I'm picking up my examples from the draconian opposition.

**Mr Sorbara:** With respect, I have tried to make an argument to change a motion and I'm being draconian, at the same time as he accepts what I say.

**The Chair:** Mr Sorbara, there is a certain latitude for new members of the committee but that latitude has been extended far enough. We have a motion on the floor. I would like to call the question at this time, seeing no further debate or discussion—

**Mr Bisson:** Could you re-read the motion just to make sure?

**Clerk of the Committee:** My understanding is that the motion is that the subcommittee will meet to discuss the choosing of the estimates on May 5, which is a Tuesday, and then will make the report to the committee on May 6, which is the Wednesday.

**Mr Sorbara:** Can I make one final comment, Mr Chairman?

**The Chair:** Is it brief?

**Mr Sorbara:** Yes, it's brief. In the remarks I made I suggested that in an informal way it may be that the subcommittee could come to an agreement about the first ministry to be looked at even before the budget perhaps, so that we can get on with the process. I don't want to put that in the motion, but I just want to remind committee members that we will take that into consideration at our caucus, particularly if there's an additional time delay when we wouldn't use that time up in any event. We would want perhaps to have some consultations with the clerk about that, but we're perfectly willing to do that to get the process under way. I invite the Chair to initiate those informal

discussions after examining sort of minute by minute how much time we have.

**The Chair:** Thank you for that helpful comment. I would remind you that it is your party's right to select the first two ministries, up to 15 hours. In my seven years here I've never seen anybody disrupt the official opposition's first nominees, so very much that is your selection, however close to your vest you wish to play it. I understand your point. You had indicated that you were a new member and I simply wanted to advise you that that selection rests solely with your caucus.

**Mr Sorbara:** I just want to comment on that, though, sir.

**The Chair:** I have a motion on the floor and you and I are both off the motion.

**Mr Sorbara:** No, we're still discussing the motion.

**The Chair:** The Chair has just ruled that we're going to call the question. All those in favour of Mr Bisson's motion? Opposed, if any? It is carried.

Motion agreed to.

**The Chair:** Any other business?

**Mr Sorbara:** I have one other matter; it's on the same topic. Obviously, in the informal discussions I referred to, we're not prepared to give up our first two selections, but there may be an opportunity to find a ministry that we all agree ought to start off the process and then arrange it in such a way so that the second and third are really our first two choices. We can't give up that right, but I just encourage you to try and instigate some discussions if we're going to lose time. And that's it.

**The Chair:** Ultimately, the master of our time frames is going to be whether the government House leader can ensure that the ministry estimates books are tabled. That is the area which will determine our first three-week delay, if any. That is an item which the committee will discuss; we may have to have a meeting subsequent to our meeting on May 6 to discuss that specifically. There being no further business, I entertain a motion to adjourn from Mr Bisson. All those in favour?

The committee adjourned at 1639.

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## STANDING COMMITTEE ON ESTIMATES

**Chair / Président:** Jackson, Cameron (Burlington South/-Sud PC)

**Vice-Chair / Vice-Présidente:** Marland, Margaret (Mississauga South/-Sud PC)

Bisson, Gilles (Cochrane South/-Sud ND)

Carr, Gary (Oakville South/-Sud PC)

Eddy, Ron (Brant-Haldimand L)

Ferguson, Will, (Kitchener ND)

Frankford, Robert (Scarborough East/-Est ND)

Lessard, Wayne (Windsor-Walkerville ND)

O'Connor, Larry (Durham-York ND)

Perruzza, Anthony (Downsview ND)

Ramsay, David (Timiskaming L)

Sorbara, Gregory S. (York Centre L)

**Clerk / Greffier:** Carrozza, Franco





## Legislative Assembly of Ontario

Second session, 35th Parliament

# Official Report of Debates (Hansard)

Wednesday 6 May 1992

## Standing committee on estimates

Organization

## Assemblée législative de l'Ontario

Deuxième session, 35<sup>e</sup> législature

# Journal des débats (Hansard)

Mercredi 6 mai 1992

## Comité permanent des budgets des dépenses

Organisation



Chair: Cameron Jackson  
Clerk: Franco Carrozza

Président : Cameron Jackson  
Greffier : Franco Carrozza



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# LEGISLATIVE ASSEMBLY OF ONTARIO

## STANDING COMMITTEE ON ESTIMATES

Wednesday 6 May 1992

The committee met at 1555 in committee room 2.

### SUBCOMMITTEE REPORT

**The Chair (Mr Cameron Jackson):** We're ready to begin the meeting of the standing committee on estimates. The clerk has prepared a report which reflects the resolutions arrived at by the subcommittee, which met yesterday. You will note that it comes in the form of a recommendation as to which ministries are to be chosen, in what order and under what time allocation. That requires committee approval and subsequent reporting to the House before we can begin. At this point we'll answer any questions with respect to the selection.

**Mr Ron Eddy (Brant-Haldimand):** I have a suggestion for an amendment to the second round for the Liberal Party, to change "Ministry of the Attorney General" to "Ministry of the Environment." I will move that if a motion is required. Realizing that we did have an agreement yesterday, I don't know whether you will consider that.

**Mr Gilles Bisson (Cochrane South):** Not that I am posing any objection, but just so I understand the rules, when doing this particular process—I think it was in the standing orders I read this—once you put a name forward, are you allowed to pull it back and change? I'm not objecting—just to know the rules.

**Clerk of the Committee (Mr Franco Carrozza):** At this stage, yes. However, once we make the report, no.

**Mr Bisson:** I'm in a very generous mood today.

**Clerk of the Committee:** The same time, Mr Eddy: seven and a half hours?

**Mr Eddy:** Yes.

**Mr Bisson:** So you want to change to the Ministry of the Environment?

**Mr Eddy:** The request is to change Attorney General to Environment.

**The Chair:** You're going to leave the seven and a half and seven and a half hours respectively?

**Mr Eddy:** Yes.

**The Chair:** Any further discussion? Seeing none, all those in favour of that change?

**Mr Anthony Perruzza (Downsview):** Just as a quick question, I note here that there's an awful lot of hours. There isn't a calendar that accompanies this.

**The Chair:** No, there is not. In our previous committee hearings we discussed and did table a calendar to indicate at what point we thought we would be along in the deliberations, given that we are bound by our standing orders. That report was tabled at the last full committee meeting, but if memory serves me correctly, we might be able to complete the first round, perhaps even the first five ministries, before we prorogue at the end of June. When

the House reconvenes in October we will then be able to recommence. It is very tight with these time lines and we may not complete all second-round choices in order to comply with the rules, which call upon us to report by the third Thursday of November.

The subcommittee dealt with your question as to whether we should now be requesting additional meeting time. It was agreed by the subcommittee that it might be premature and that a more appropriate time to make that request, from both the committee's and the House leaders' point of view, would be middle to late June, when the House leaders will be discussing the summer committee meeting schedule. Does that help you?

1600

**Mr Perruzza:** My concern was basically that if we meet during the summer, then all kinds of additional moneys are incurred, and anything we can save our taxpayers would be greatly appreciated. If we're doing it during the sittings, you know and I know it doesn't cost any additional moneys in terms of per diems, allowances etc. If we give the taxpayer a break, I think that's a welcome thing and I would support that.

**The Chair:** Thank you, Mr Perruzza. As you know, estimates is entirely the process of ensuring that there is accountability and that taxpayers are getting value, which is why we do come together and why there is such pressure on us to complete all our estimates.

**Mr Larry O'Connor (Durham-York):** I have one question; perhaps the clerk can help me out. In the first-round Progressive Conservative requests, Education and Housing, what kind of time line is there? Education, I assume, would be a fairly large set of estimates to be prepared. Would it be possible for us to get them here in that time? If it was the other way around—I don't know. It just seems to me that Education would have a lot more estimates to pull together than Housing would.

**The Chair:** That is true, and in accordance with the standing orders, the government House leader plans to deliver to the House, to the Clerk, for distribution, all the detailed briefing books on or about—

**Clerk of the Committee:** The week after the Legislature is not sitting, which is the 18th.

**The Chair:** The week of the 18th. We are perhaps jumping a bit in our agenda, but the clerk advises that it would be his responsibility to get those estimates books in the hands of the critics as quickly as possible to assist them in their preparations for the day we choose to be the starting day for our first estimates hearing.

**Mr O'Connor:** Could it be in either Education or Housing, or would it come in the order as we have them before us?



**The Chair:** Yes. The standing rules indicate that when we report to the House, they will be called by the Clerk in the order in which they are reported in the House, and the time allocation will be maintained unless, by agreement of the committee, it is adjusted during the course. But we cannot change the order, I'm led to believe. It's very much the ministries that have to plan in order to be here. There are large numbers of staff involved in each ministry and they very much need a clear calendar and sequence from us.

There being no further questions, we'll vote on the amendment to replace, in the second round, the selection of the Ministry of the Attorney General and have that replaced with the Ministry of the Environment. All those in favour?

Opposed, if any?

Motion agreed to.

**The Chair:** Any further questions with respect to the list as submitted by the subcommittee and amended by the committee?

**Mr Bisson:** I make a motion that they be adopted.

**The Chair:** Any further discussion? Seeing none, all those in favour of the motion? Opposed, if any?

Motion agreed to.

#### OTHER BUSINESS

**The Chair:** The next item which I believe would be helpful is if we could have discussion on when we believe we could commence our hearings. For purposes of discussion, the clerk advises that it is possible for us to start Tuesday, May 26, and given that Agriculture and Food is five hours, we might be able to complete in that week with our Tuesday and Wednesday sittings. I would entertain a motion and then discussion.

**Mr Bisson:** I make a motion that we start sitting and hearing the estimates of Agriculture and Food on May 26.

**The Chair:** Any discussion?

**Mr Perruzza:** Mr Chairman, I would hope, though, that when you look at the time allocations, this committee would meet during the House sittings and not in the—

**The Chair:** That is in our standing orders, and the House leaders and the House have approved that we shall meet on Tuesdays and Wednesdays following routine proceedings. So the clerk will be scheduling hearings between approximately 3:30, or following routine proceedings, whichever is later, until 6 o'clock.

Any further discussion?

**Mr Bisson:** After that it's time and a half.

**The Chair:** Yes. It requires a unanimous motion to sit beyond that. All those in favour? Opposed, if any? Carried.

The next matter which the subcommittee dealt with but may not necessarily be an issue at this point was a letter from the government House leader indicating that there may be some lateness with respect to the detailed estimates books. Given that the Legislature's not sitting during the week of the 18th and that we anticipate their arrival, we may as a committee feel that this is no longer a contentious

issue and that we might just proceed with receiving these estimates books during the week of the 18th.

I'm obligated as the Chair to reflect what was discussed in the subcommittee meeting. When we left the subcommittee meeting there was some concern. It may not necessarily be the controversy we thought it was 24 hours ago, but I need to dispense with that matter, and Hansard is clearly recording that the matter was raised. We need a motion now that this matter be reported to the House tomorrow.

**Mr Bisson:** I would make a motion that these two matters raised in regard to the list of who will be presenting estimates from what ministries, as well as our commencement date, be reported to the House.

**The Chair:** Thank you, Mr Bisson. Any further discussion? Seeing none, all those in favour?

**Clerk of the Committee:** I was going to mention that it is not required of us to tell the House when we begin, but the report, yes.

**Mr Bisson:** Okay. I thought we had to.

**Mr Bisson:** Can I withdraw that? I would withdraw the second part.

**The Chair:** No, that is fine. I accepted it as being in order for the simple reason that the clerk would in turn be notifying the House leaders and the ministries that that is when we would commence. Clearly, each of the subsequent ministries would be able to determine a meeting schedule between now and the end of the session based on the knowledge of that starting date. It is therefore very important information which the clerk will include. It may not necessarily form part of the report to the House.

All those in favour? Opposed, if any? I declare it carried.

One other additional item: I'd like to introduce to the committee Mr Rob Nishman. Rob is with the legislative research department; he replaces Elaine Campbell, who has served this committee for any research it may assign to legislative research from time to time. He is here to be familiarized with the committee proceedings, to meet the committee and, as always, is awaiting our direction and guidance. If we feel his presence is required once the hearings begin, we should let him know. I simply share that for information. The subcommittee may consider the points raised about whether leg research would be required to be present during the estimates hearings or that we have any work to assign to them.

1610

**Mr Bisson:** On a separate matter, I just want the members of the committee to be aware that according to the standing orders, the estimates must be available in both official languages. We should be cognizant of the point that the French translations of the estimates will not be ready in time. It is a decision of the committee if we are going to go a little ahead of when those are ready, but it is the right of a member, if he wants those estimates in French, that we would have to wait until they're ready, which would be after the 26th. I just want to raise that so we understand.

**The Chair:** My understanding, to put a finer point on your point, is that only those estimates that are chosen by this committee will be prepared in the two official languages. The clerk will be pleased to furnish you with a copy of that most recent clarification. I will seek a further clarification if the activities of this committee can be seized simply by a matter of late translation.

**Mr Bisson:** My understanding, and maybe the clerk can be a little more specific, is that if a member thought his or her rights were somehow not being maintained by having those estimates in French, that member could object. I just want to raise that. I don't think it will be a problem, but I would just raise it so that people are aware.

**Mr Perruzza:** Mr Chairman, if I may, can we put forward a motion that we proceed with the full understanding that the French-language translations for the estimates will not be ready till roughly a week after the English estimates are prepared, and put that to a vote in this committee?

**Mr Bisson:** I don't think that would be in order, because it's the rights of the member. I don't think there is going to be a problem, but I just want to raise it. I don't

know if the motion would be in order. I don't want to be contrary.

**The Chair:** First of all, if I hear the committee clearly, a point has been raised and the clerk has undertaken to examine the point raised and to report back. The point is appreciated as it's being raised by the member, and we'll investigate that. That's all we can offer at this point, as we don't have a copy of the last memo, nor is the clerk prepared to give a definitive statement on the matter at this time.

Are there any other items for the good or welfare of this committee?

**Mr Bisson:** Just to be clear, our next meeting will be May 26, and there are no meetings of the subcommittee until then?

**The Chair:** Not unless I hear from a member of the subcommittee who would like to have a meeting. I am always in your hands.

**The Chair:** There being no further business, I'd entertain a motion for adjournment.

**Mr Bisson:** I make a motion that we adjourn.

The committee adjourned at 1613.







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Ferguson, Will, (Kitchener ND)
- \*Frankford, Robert (Scarborough East/-Est ND)  
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- \*O'Connor, Larry (Durham-York ND)
- \*Perruzza, Anthony (Downsview ND)  
Ramsay, David (Timiskaming L)  
Sorbara, Gregory S. (York Centre L)
- \*In attendance / présents

**Clerk / Greffier:** Carrozza, Franco

**Staff / Personnel:** Nishman, Robert, research officer, Legislative Research Service



## Legislative Assembly of Ontario

Second session, 35th Parliament

## Official Report of Debates (Hansard)

Tuesday 26 May 1992

**Standing committee on  
estimates**

Ministry of Agriculture and Food

## Assemblée législative de l'Ontario

Deuxième session, 35<sup>e</sup> législature

## Journal des débats (Hansard)

Mardi 26 mai 1992

**Comité permanent des budgets  
des dépenses**

Ministère de l'Agriculture et  
de l'Alimentation



Chair: Cameron Jackson  
Clerk: Franco Carrozza

Président : Cameron Jackson  
Greffier : Franco Carrozza





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# LEGISLATIVE ASSEMBLY OF ONTARIO

## STANDING COMMITTEE ON ESTIMATES

Tuesday 26 May 1992

The committee met at 1538 in committee room 2.

### MINISTRY OF AGRICULTURE AND FOOD

**The Chair (Mr Cameron Jackson):** I'd like to call to order the standing committee on estimates for our first estimates for the 1992-93 fiscal year. Our first set of estimates is the Ministry of Agriculture and Food. It will be for five hours as per the committee's direction and the House's approval.

I'd like to welcome the minister, the Honourable Elmer Buchanan. This is his first estimates. Welcome. It is a painless exercise and you'll enjoy it, I'm sure. I want to acknowledge that all your staff were here really early. That was appreciated. Certainly the committee will likewise attempt to be punctual when we begin again tomorrow.

The committee is aware of our standing orders, which call for an opening statement from the minister of up to one half-hour. Then we'll rotate and the official opposition will be given up to one half-hour. Then the third party will be given up to one half-hour to make comments. Then the Chair will recognize the minister to respond for up to half an hour. Then the committee will proceed in a regular fashion. Minister, maybe you can introduce your deputy and staff, and if any others who are being called forward to present during the course of the estimates would please identify themselves and their position with your ministry, it is very helpful to the committee and to Hansard. Minister, we're in your hands.

**Hon Elmer Buchanan (Minister of Agriculture and Food):** I have with me Rita Burak, the deputy; Marianne Holder, a political staff member, and Keith Pinder, director of policy and program coordination. We have several other staff at the back of the room. As you've indicated, if we need to call on them we will identify them at that time.

I'll just make one other very brief introductory comment. We have several staff, of course, who work out of the Guelph office. If members wish to ask very detailed specific questions tomorrow, for example, if they will notify us of that I will make sure the appropriate staff are here tomorrow to answer those questions. With that, I'll proceed with my statement.

I'm very pleased to have this opportunity to present the 1992-93 estimates for the Ontario Ministry of Agriculture and Food. I would like to begin with an overview of the activities of my ministry.

We have accomplished much over the past year and a half, and I'm confident that the directions we're now undertaking will lead our farm and rural communities and the food industry to greater stability and growth.

When I became minister, I knew I was taking on an especially challenging job. There was discontent in the farm and rural areas of our province due to years of coping with

economic pressures that hit harder and held faster in the agriculture and food industry than in almost any other sector.

I grew up on a farm in rural Ontario. I was actively involved in the politics of a largely rural constituency. I've seen what our farm and rural communities were and what they've become, and I resolve to put the highest priority on revitalizing this most essential part of our society.

The way I saw it, there were major issues that needed to be tackled in order to move towards this goal. A year and a half of talking and listening to hundreds of people involved in our business has affirmed my conviction on these priorities:

First, economic stability has to be restored and a foundation laid for future growth in the entire food production industry. Farmers, food processors and retailers are all struggling under the effects of an international trade war, recession, cross-border shopping and a host of other debilitating factors.

A second and closely related issue is that rural community development must be given higher prominence. Most of these communities have to struggle hard to make economic ends meet and to try to provide services that even come close to matching those available in our cities. I believe that strong rural communities are essential to the economic viability of Ontario.

Third is the issue of environmental sustainability. We must continue our progress towards more environmentally responsible practices in all aspects of the agriculture and food sector. Healthy air, soil, water and ecosystems are the most basic necessities for our business both now and in the future.

An overall principle I adopted from the outset in dealing with these issues was the spirit of cooperation. I wanted and have received extremely helpful advice and suggestions from the people directly affected by the decisions I've made over the past year. It has been a very successful method for developing programs and policies, as you will note in the activities I'm outlining today.

Creating better economic stability at the farm level was the most pressing issue. I knew the farmers were hurting. I wanted to find out directly from them their concerns and their ideas on how we could best work together to improve their situation. As a result, the agricultural finance review committee, under the leadership of my colleague, Pat Hayes, travelled across the province gathering opinions and suggestions from the farmers themselves.

Many excellent ideas came out of that consultation, which are now being put into practice with the help and cooperation of many industry partners. Immediate relief from high interest rates was first on the list. Within two weeks of the release of the Hayes report we responded with a one-year, \$50-million interest assistance program to help those farmers most in need.

I said at the time, and I reiterate here, that this was a short-term program meant to deal with a crisis situation. It was never intended as an ongoing program, because I believe, and farmers agree, that long-term, stable initiatives are a better answer to ongoing economic pressures. This is why I recently announced a five-part agricultural investment strategy. I am confident that this strategy will provide a basis for real economic renewal in Ontario's farm and rural communities. It's a combination of financial and training programs to provide new opportunities for farmers to obtain much-needed credit and to enhance their skills in legal and financial management. It also provides the impetus for financial institutions and private lenders to take a strong role in investing in the food and farming industry, the economic foundation of many rural areas.

As I stated two weeks ago, we are anticipating a total government investment of \$120 million over the next five years in this strategy. This represents an effective use of public funds to lever private sector investment and create self-reliance in our farm and rural communities. Unlike the ad hoc government funding in the past, these programs will be stable, long-term and based on cooperative partnerships among the Ontario government, farm groups and the financial community. The most striking feature of this strategy is that it was developed by and for the farm and rural people of Ontario. The spirit and much of the substance of the programs come directly from the recommendations of the farm finance committee.

I'm confident that this strategy will also act as a model for and springboard to greater rural community development. We have already begun focusing on a number of fronts on this issue. Our overall objective is to help rural communities help themselves. I strongly believe that local issues should be dealt with locally by the people they most affect. This is not only the most practical and cost-effective approach, but I think it restores a sense of pride in rural living that recently has been sorely lacking.

To this end, we have an excellent rural leadership training program called Ten Steps to Community Action. This program focuses on educating rural residents about the administration of government and the importance of leadership, organization and building consensus in the community behind a cause. I'm a firm believer in this program. It has been very well received by all participants.

There are plenty of willing and able people in our rural communities who have the energy and enthusiasm to really make a difference in the quality of life for themselves and their neighbours. It's time to create the opportunities for them to take charge.

Along these same lines, we're encouraging locally based economic activities. The ministry committed \$200,000 to a producer-run cooperative in Haldimand-Norfolk. This venture should not only benefit its members, who will obtain better prices and more cohesive marketing efforts, but also the economy of the surrounding area.

We're also supporting the growth in farmers' markets, which have much to offer. They provide a direct market for local farmers and artisans, diversify the local economy, and act as a meeting place for the community. Close to 100 markets are now operating in Ontario, up from only 60 a

couple of years ago, and we expect as many as 150 in the next year. These are just two of several directions we're taking that address both the issues of long-term economic revitalization and rural development.

Take our efforts to design new ways to protect our agricultural land, for example. As you will agree, a new program is essential in light of the current economic pressures on farmers, the increasing urban population and the public's heightened concern for the environment. For this program, we invited 16 representatives of farm and rural groups, environmental organizations, municipalities, regions and others to contribute to a discussion paper outlining the issues involved. The paper is currently being discussed at public meetings across the province. The suggestions we receive from this round of consultation will be incorporated in a new program to respond in a more balanced way to current agricultural and other land use needs.

Consultation, self-reliance and efficient program delivery are also key elements in the formation of Ontario Agri-Food Education Inc, which has taken over the administration of our successful Agriculture in the Classroom program. As you may know, this program brings education on how our agricultural processes work to primary and secondary schools in the province. With this decision, we put the power of program decision-making into the hands of the people and groups most affected by it. The new corporation provides an improved base from which to plan and coordinate program activities. It's also a tribute to the co-operative spirit growing among farmer groups, industry, government and local communities.

While we're working hard here in Ontario to renew and revitalize our economy, we have also supported and defended the province's interest in national programs and international trade arrangements. I am pleased that earlier this month, we got agreement from the federal government to extend the federal-provincial tobacco diversification program. As you know, tobacco farmers have been hit especially hard recently with significant reductions in domestic demand for their product. This program will provide much-needed continuity in maintaining the affected farms and their communities.

#### 1550

Last year I announced Ontario's participation in two new national safety net programs: the market revenue insurance program and the net income stabilization account. In both cases, we negotiated the best possible deal for Ontario farmers. For the market revenue program, we wanted to offer our farmers the flexibility of a full range of options. In Ontario, farmers can sign up for the crop insurance component, the market revenue component or, if they wish, both components. I also worked hard with colleagues from across the country to ensure that the NISA program, which allows farmers to accumulate funds in good years to provide income supplement for bad years, included horticultural producers, and I'm continuing to press for the inclusion of other commodities, such as those under the tripartite stabilization programs.

On the international front, you may know that a final deal on the General Agreement on Tariffs and Trade remains elusive. While we're hoping for a breakthrough in the next



nine to 12 months, the uncertainty generated in world markets by this indecision has caused a great deal of anxiety here at home for our farmers and our food processors. However, the steadfast unity displayed throughout the negotiations among provincial and federal governments and a host of industry groups has been encouraging. The rally in Ottawa I attended in February sent a clear message from more than 30,000 farmers that we are firm in our resolve to obtain a fair and balanced deal.

Last fall I led a delegation of Ontario farm leaders to Brussels and Geneva to present our case directly to our negotiators and to several representatives from other nations. We had substantial discussions in which we pointed out the importance to Ontario of an agreement that supports our unique supply management system and reduces trade-distorting export subsidies.

Another essential component in our drive to stabilize and renew our agriculture and food sector is to increase Ontario's share of domestic and world markets. In this area, we are taking positive steps to heighten consumer confidence in the food we produce. One of our most exciting developments has been the construction of a state-of-the-art lab in Guelph. The lab is designed to increase our capacity to monitor and research environmental and food safety issues and to assist the food industry in quality assurance programs. When it opens in November, the agriculture and food laboratory services centre will assure consumers that the Ontario food products are the highest quality and rigorously tested by the most up-to-date technology and expertise in existence.

Along with high-quality standards, we must and are promoting our products here and abroad. Our excellent marketing and promotional programs through Foodland Ontario continue to show our residents the crucial connections between buying quality, homegrown products and supporting our essential farm and rural communities.

In the past year, we also introduced a new program dedicated to promoting the use of Ontario products in our restaurants, health care facilities, hotels and other institutions. The food service marketing program is effectively building more partnership between Ontario's producers and our food service industry.

In our worldwide efforts to promote our products, I'm proud to say that the Ontario Ministry of Agriculture and Food helped generate more than \$100 million in exports in 1991-92 through its export trade development projects. In addition to drumming up business through export missions, the ministry arranges for foreign buyers to visit Ontario and participate in trade shows, promotions and seminars around the world.

In the 18 months since OMAF's new business development program has been in place, more than 300 firms have been introduced to about 85 different technologies in key subsectors of the food processing industry. As a result, more than 40 firms have adopted new technologies from 11 countries.

Also in the food processing industry we introduced a \$15-million program a year ago that is encouraging Ontario companies to invest in upgrading their processing technologies. More than \$2 million has been committed to 12

companies in the program and they are now better equipped to compete in the tough world market.

The ministry has also established a food industry competitiveness branch to consult with and advise food industry players on competitiveness issues. In addition, this branch encourages the exchange of information within the food processing and retailing industry through seminars such as the total quality management seminar held in April.

Our ability to compete and the long-term viability of the entire sector depends as well on our proficiency in agriculture and food education, research and development. Through partnerships with the University of Guelph, our five affiliated colleges and the Ontario food and farming industry, we have made significant progress in these areas.

In research, for example, OMAF staff have developed a method of propagating strawberry plants that are so hardy that Florida growers imported 100,000 of them last year, generating \$2.25 million in sales. The Florida growers have found that these plants produce more strawberries much earlier in the season than their own native plants.

On the home front, our research has enabled us to develop soilless tomato plug transplants that have nearly completely replaced imports from Georgia. Having Ontario-grown transplants means that growers can take advantage of lower prices, more predictable deliveries and fewer problems with pests or diseases. Equally important, the transplants are grown here in Ontario, meaning jobs here at home.

These are just two of dozens of success stories that show how the \$52 million spent last year on research was money well spent.

Our colleges continue to distinguish themselves with high-calibre graduates and by reaching out in their own communities with extension courses for area farmers and others. This kind of dedicated involvement in the local areas will be a real asset in our efforts in rural community development.

Dedication is the key to creating a more environmentally sustainable agriculture and food system. We have witnessed plenty of it in our farmers, food processors, retailers and others.

This past year I was pleased to have chaired two ministry environmental advisory committees: one for the agricultural sector and one for the food industry sector. It was heartening to see how interested all the participants were in reviewing current environmental policy and in providing input for new government directions. Our discussions were candid, enlightening and, I must add, very useful both in terms of the amount of information we exchanged and in providing all of us, government and industry, with a full range of perspectives.

Two of our most successful environmental programs attest to our farmers' recognition of the importance of this issue. More than 14,000 farmers have completed projects to protect our valuable soil and water resources with help from OMAF's land stewardship programs which offer financial and advisory assistance to producers.

More than 38,000 producers have received training in the handling, storage and application of pesticides for

health and environmental safety since 1988 under the Ontario pesticide education program.

I must mention one more example of our sector's dedication to the environment. The farm environmental agenda was created by a coalition of several farm groups. It is a testament to the foresight and concern shared by the entire farming community for conserving our precious natural resources for the future.

As the members will have noticed, the Ministry of Agriculture and Food has accomplished much over the past year and a half: We have initiated programs for the long-term renewal and growth of our farming community and food industry. We have begun helping our rural communities help themselves to a better future. We have fought hard to protect and advance the interests of our sector in national and international circles. We have heightened our ministry's profile in domestic and world markets through quality assurance and strategic promotion. We have made significant advances in research and development to ensure the future viability of the entire industry. We have continued and improved on efforts to make farming and food production in Ontario a more environmentally sustainable activity. We have done all this in a period of severe fiscal constraint.

The cooperation of our industry partners has been and will continue to be essential in the development of current and future directions. My ministry and I remain committed to ensuring that Ontario farmers, food processors, rural residents and all other participants in our sector have an integral role in renewing and revitalizing our farm and rural communities.

Despite the tremendous economic challenges we encountered in 1991-92, it was a productive year. I look forward to an even better and more productive 1992-93.

1600

**The Chair:** Thank you very much, Minister. Now if we may, in rotation, I'd like to recognize Mr Cleary.

**Mr John C. Cleary (Cornwall):** Minister, you touched briefly on it in your opening statement here, but do you have any figures to back up how successful your ad campaigns were that people should buy Ontario farm produce?

**The Chair:** Mr Cleary, to be helpful, would you like to proceed directly into questions or would you like to set out a series of questions and table them with the minister's staff at the moment?

**Mr Cleary:** Okay.

**The Chair:** We'll conduct it any way you wish. We'll take a moment.

**Mr Cleary:** I just have a number of questions here. If you wanted to move on to someone else, I would get them in order and just leave you a number of questions for tomorrow.

**The Chair:** What I'd like to do is to avail you of the appropriate time you're entitled to. In the course of the next half-hour, if you'd like to proceed to table a series of questions, would you like the minister and staff to record those, or would you like him to begin his responses now,

to his ability to respond to them? Would you like staff to come back tomorrow with those answers? We can go either way.

**Mr Cleary:** I'm very flexible on it.

**The Chair:** I'm giving you the call here. This is your half-hour. You tell me how you'd like to order up your time.

**Mr Cleary:** I had a number of questions that I'd been concerned about for some time.

**The Chair:** Very good. Let's proceed. Mr Sorbara.

**Mr Gregory S. Sorbara (York Centre):** Sorry I came in late. I enjoyed immensely the minister's opening remarks. How are you dividing up the time? How much time we are going to spend on agricultural estimates? I noticed you mentioned half an hour.

**The Chair:** Five hours total. Our standing orders require a rotation for purposes of the minister and the critics to put on the record their concerns in what were sometimes loosely referred to as opening statements. Then the minister responds to those for up to a half an hour. That could take up as much as two hours of the process, which would leave us three hours.

**Mr Sorbara:** Might I just ask if our party could defer its half-hour opening statement. I know that my colleague the member for Cornwall has some questions. At your discretion, you might want to proceed with those questions now. We do want to reserve our right for half an hour of critical analysis, I say to my friend the minister, of his statement and the record of the ministry over the past year.

We could go into questions now, though, or you might want to defer to the opening statement from our good friends the Tories. I'm not sure what Mr Cleary's wish is, but he could begin by putting questions now. I don't want to lose the opportunity for the half-hour of opening statements.

**The Chair:** May I ask a question then? Mr Villeneuve, about how long would your opening statement take?

**Mr Noble Villeneuve (S-D-G & East Grenville):** Probably half the allocated time, something in the area of 15 minutes.

**The Chair:** Perhaps—

**Mr Sorbara:** Don't deny us.

**The Chair:** If Mr Sorbara would continue to be helpful, with Mr Cleary's permission, perhaps we should proceed to complete the opening statements portion. If you'll trust the Chair, we'll ensure that you make up your 15 minutes in additional questioning time, since that is your preferred wish.

To keep the rhythm of the estimates going, perhaps we can proceed with Mr Villeneuve to make a few comments on the record, then the minister's very brief response and then we'll begin the process. I will need at least two or three minutes to get your guidance on how we will operate through each of the votes.

If that is agreeable to you, Mr Cleary—Hansard recognizes your nod in the approval. Mr Villeneuve, if you would be prepared to proceed, and then we'll go to the minister quickly.

**Mr Villeneuve:** Thank you very much, Mr Chair. Mr Minister, Madam Deputy Minister, I'm certainly pleased to



see the Ag and Food staff here, with whom I have had occasion to work over a number of years in a very positive way, and I look forward to continue that way. As my colleague Mr Sorbara mentioned, there will be some probably critical comments oriented towards a positive ending, and I think that's what this is all about.

First, Mr Minister, you didn't for some reason mention that your ministry suffered a 6% reduction in overall budget. I can appreciate that financial times are difficult, but when we consider the 6% reduction and then look at the \$12 million in additional funding which was required just to maintain the farm tax rebate at its present level, this means a considerable reduction in the amounts of money you will have to operate the ministry.

First, I understand that the actual support for farmers, actual cheques to farmers, will certainly not be going up, in that there is less money.

Second, I think we have to consider the very difficult economic situation faced certainly by producers of grain, red meats, the tobacco industry, the fruit and vegetable industry and indeed the supply management industries, which are very nervous about GATT decisions, which have been a very long time coming, are still not here and we really don't know if they will be forthcoming in any way, shape or form.

I will zero in on a number of issues I intend to question on. I have already requested from one of your assistant deputy ministers information pertaining to the tendering system, and Dr Collin is in the process of obtaining some replies to that. It's something where we need to know exactly what's happening.

In the ethanol area, where grains will be used as the main feedstock for the production of ethanol, it's great to realize that this week indeed United Co-operatives of Ontario and Sunoco will be opening a number of retail outlets to the public that will be using ethanol as the octane enhancer. It's very important that we as soon as possible produce this ethanol in Ontario, a renewable resource, homegrown, reducing pollution; it's a win-win-win situation. I've yet to see a negative on that one, Mr Minister. We've discussed this on a number of occasions and I know you agree with me.

I'll be questioning along those lines, particularly in the area of the cogeneration plants, some of which are coming to my area. I'm not sure what sort of input Ag and Food would have with the Ministry of Energy and with Ontario Hydro, but maybe we can get into that one. There seems to be something about the left hand not knowing there is a right hand and vice versa, and I think we need to discuss that.

I know you also visited the great southwest, the sun parlour of Ontario, last fall. The Kent-Essex area certainly was hit very hard economically. Their request for support was somewhere in the area of \$20 million and your ministry—and it was appreciated—was able to come up for the entire province with \$35.5 million in support. But whenever we look at a very well-planned and well-done study from the farmers in the Kent-Essex area, supporting and substantiating without stretching anything to the limit that indeed \$20 million was their requirement, people are falling quite short.

I had occasion to visit the group known as The Line in the Dirt, people who are in a mixed farming area, basically

in grains and red meat production; very difficult times in that part of Ontario and certainly they have put forth a very commendable presentation, and groups that have not been vociferous and really create havoc or problems. However, they have transmitted the message that through no fault of their own, their net income is very substantially reduced and they're looking for some support and some assistance.

1610

The deadstock removal issue, Mr Minister, we have spoken of on a number of occasions. I know you're quite familiar with the problem. I had occasion to meet with the united counties of Prescott and Russell about 10 days ago, and last week, our constituency week, I met with the united counties of Stormont, Dundas and Glengarry. I'm afraid it's a very explosive situation. Machabee Animal Food, which is by far the main deadstock gatherer in the area, told us that in the last full year of operation it picked up about 25,000 animal carcasses. They're now under user-pay, requesting funding from the farmers who have suffered the loss. As one who has fed livestock, I can appreciate that if you have animals and they start costing you money to remove them as dead animals it's a very severe loss. That's part of the problem.

As an industry, we'll have to face that. Your ministry, as the lead ministry, has to look at it. My concern here is that it could well fall into the hands of a number of other groups of individuals. We do know that in eastern Ontario—I presume I speak for most parts of Ontario and certainly northern Ontario—there are six months of the year when livestock cannot be disposed of according to the requirements. It's an industry that has to be looked at.

There is a number of other areas: The fruit and vegetable producers of the Niagara Peninsula are going through some very difficult times. You and your ministry officials in your wisdom have decided to challenge each and every possible request for severance. That has created a very difficult situation.

Yesterday I met with a group of farmers in my own area who all of a sudden, lo and behold, had the Ministry of Natural Resources decide that part of their land holdings were indeed class 1, 2 or 3 wetlands. Very annoyed individuals we have here, who feel effectively as if people from the Ministry of Natural Resources have taken some waterfront property, some of their finest property, which to them was money in the bank for their retirement, and literally rifled their savings in designating those areas. I realize we need some protection, but we have to remember that people have to have rights as land owners as well. I think that is an area we have to look at.

I believe your ministry should be the lead ministry if indeed labour law reform is going to come into this province. According to the Minister of Labour, replying to a question from me on the last Thursday we sat prior to the constituency break, he wants labour law reform to apply to agriculture if at all possible. I'm paraphrasing; those are not his exact words.

Because of the nature of agriculture and perishable produce primarily, I suppose the grain industry could be exempt. But if you start exempting part of the industry, Mr Minister, I think farmers are prepared to look at updating labour reform, but not under the same ministry that administers the labour



force at Ford or GM or any of those types of production plants. They are not at all comparable, and I think the Ministry of Agriculture and Food should be the lead ministry in administering labour reform if it has to apply to agriculture.

A number of other areas: I think we should be in the promotion of Ontario wines, whereby the tax on Ontario wines as a promotional issue in the restaurant industry should be your responsibility as the lead ministry. Ontario does have some of the finest wines anywhere, bar none. I'll stand behind that statement. We have to promote that industry. Free trade has not hurt it as much as was anticipated, and that's a positive. Let's build on positives.

Those are my opening remarks. I have a number of other areas that are to some degree maybe not quite as important. However, the overall economics of agriculture are very difficult, as you well know, and I think we have to work on this not in an adversarial way but together, to try to assist what has been a basic industry in Ontario, in my humble opinion. I have some people who would argue with me, but I think agriculture is even more important than the car industry. I can tell you that I will go without a car under my carport as long as I can still have a couple of square meals a day.

**The Chair:** Mr Villeneuve, you do have some time left. Did you want to put some questions? I just wanted to suggest that the minister will offer up some summary comments at this time, unless you wanted to add some of your questions.

**Mr Villeneuve:** I have questions which I can proceed with in due course. I know you are very careful with the time allocation and I appreciate that, Mr Chair.

**The Chair:** Are they in print form?

**Mr Villeneuve:** Yes, they are.

**The Chair:** Very good. Perhaps the minister would like to respond briefly, and then we'll begin the regular rotation and I'll get guidance from the committee.

**Hon Mr Buchanan:** On the issue of reduction of budgets, I'm going to ask the deputy to give some numbers. I would like to make one comment, though. The \$15-million interest assistance package which I alluded to in my remarks was in fact in the base budget a year ago. So you take that out, you take out \$15 million to start off with, and then you build back from that. We didn't quite build back to where we were and we certainly didn't add on, but there were other ministries, of course, that were in the same position.

I want you to know that I feel relatively satisfied—maybe not happy—that we were able to recover a very large portion of that \$15 million which was taken out, because it was in the base budget. I'll ask the deputy to give you some more numbers in a couple of minutes.

In terms of ethanol, we've had discussions about its viability and its importance to the grain industry and also its importance, I believe, to the livestock industry. There is an interministerial committee. It held two days of consultations on April 28 and April 29. There are many projects out there now. We're basically trying to do an evaluation of the different projects and come up with some recommendations or summary comments that will come back to me.

I'm quite prepared to have Len Roozen here tomorrow to answer specific questions. I sense that's an issue members may want to ask about, so we'll try to accommodate you with that tomorrow.

In terms of Essex-Kent and the very difficult situation we had last summer across the province not only because of drought but because of low prices, we did come up with \$35.5 million. We recognize that it's never really enough. We have been trying to put more emphasis, though, into long-term programs. We've been trying to put more of the money we do have into the gross revenue insurance plan, GRIP, the net income stabilization account, NISA, and farm finance longer-term programs and will continue to try to develop programs that will be in place that farmers can count on.

I'm interested in the fact that you made a comment on The Line in the Dirt organization. The first time I met them was in a very confrontational situation at, I believe it's called, the Western Fair in London, which was a very tense and very difficult half-hour. We had a little chat on the front steps of one of the buildings there. Subsequent to that, we've had a couple of very good informal meetings, including one in my office where they made some presentations. It is a very hard-working, dedicated group with some ideas, and we certainly have taken time to listen to some of its ideas and will continue to do so.

The dead stock issue is a very difficult one. Obviously there's a need for some changing attitudes. I believe government certainly has a role to play, and we're sort of monitoring and working our way through in trying to decide what is the best thing to do and how we should respond.

One thing I would say is that I can recall, if you go back a number of years, when people used to go around rural communities and buy various items that were considered scrap by farmers, from batteries to old plowshares to almost anything.

1620

**Mr Villeneuve:** Horsehair.

**Hon Mr Buchanan:** Yes, horsehair, which you saved in a bag in the stable and it was picked up by somebody who was going to give you two or three cents a pound for it. Those days are gone.

Similarly, when deadstock operators picked up dead animals, there used to be payment, as I'm sure you know. Economies have changed and things have turned around, and now people who have scrap generally have to pay to get rid of it. There is a need, perhaps, for education and changing attitudes on behalf of livestock producers about how we dispose of dead animals.

There is a problem with money, obviously, in the farm community. We do need to address the farm income situation. If we can do that, then I think we can probably address the deadstock situation.

The wetlands issue is one that we continue to work on with MNR and other ministries, and we do as much as we can to coordinate responses in that area. Times are changing. There was a time when wetlands were seen as a resource that could be drained and farmed, but now attitudes are obviously changing because of new information about

ecosystems and their importance. Again, there is a need for education, and what does the farmer get when he protects the wetland or the ANSI? Those are big questions that we don't have the answers for today, and we may not have them tomorrow or the next day either. But they are obviously issues that need to be discussed in cooperation with the farm community, with governments and with farm organizations to find an appropriate response.

On the OLRA, as I'm sure you are aware, there is a task force out there made up of farm leaders and labour people and others. They are, I hope, going to table their report, if not this week then early next week, which will go to the Minister of Labour. We will be looking at that and then making some suggestions and recommendations.

My sense is that many of the farm leaders in the province at this time are not asking for a continued exemption. They are willing to waive the exemption for agriculture from the OLRA. What other recommendations are in there, we'll have to wait and see what the response is. We recognize the fact that chicken hatcheries and other agricultural enterprises cannot be treated the same as a car plant. You do have perishable commodities, you have animals you have to take into consideration, and we need to have a dispute settlement mechanism in place to address those concerns. I think the Minister of Labour, myself and the farm leaders all recognize that and it would have to be incorporated.

I really appreciate your support for Ontario wines and I think we all have to do our bit. We are all salespeople when it comes to promoting Ontario products, whether it's wine or chicken or whatever. I encourage all members to do their bit to encourage consumption of Ontario products.

**The Chair:** Thank you again very much, Minister. Now I need to get guidance from the committee as to how we will order our business for this time. I'd like to recognize Mr Sorbara.

**Mr Sorbara:** I might suggest to you that we'll proceed now with opening comments, beginning with my colleague Mr Cleary from Cornwall. I think Mr Eddy from Brant-Haldimand will have a few comments as well, and if there's any time remaining in the half-hour I guess I could think of something or other to say.

**The Chair:** This is a change of position, is it?

**Mr Sorbara:** You got that right.

**The Chair:** Okay. At this point I'm going to extend 15 minutes for comments to the Liberal—

**Mr Sorbara:** I thought it was a half-hour per caucus.

**The Chair:** Well, Mr Sorbara, on two occasions today I have explained the procedure, and I was in the committee's hands. We were proceeding with an understanding that you were waiving your commentary portion and we were going to proceed with estimates. If you would like me to review that, my decision was just made that I am granting you 15 minutes, as I did the Conservatives. We will forget that you're out of turn and that the minister has no formal rebuttal, but we will extend that. But I'm not prepared to extend half an hour when we were proceeding with another set of assumptions.

At the completion of your 15 minutes, I would like to resolve now, if I may, how we wish to proceed. Given that—I have to handle this delicately—the members of the official opposition have not been at the estimates table before or for some time, I would set out what the options are and then I'd like the committee to decide how we will proceed.

Estimates can proceed by a structured time allocation where we move from caucus to caucus and time frames are divided by agreement. We can, if you wish, proceed simply in an open forum, which is committee style, and questions can be asked and other members can ask supplementary and the Chair will endeavour to do that fairly but in accordance with people's requests to be recognized.

How many votes are there for agriculture? We have six votes, so we also have to decide whether you wish to discuss all sections simultaneously or go through the various sections and vote. Those are the matters I need as Chair to resolve before we begin the next phase.

**Mr Villeneuve:** I believe it's fairly clearly set out in the estimates book as to votes 101, 102, 103. I would like to treat them as they are set up in the estimates book. When we get to the termination of vote 101, as an example, we could then proceed with the vote on that.

**The Chair:** You do not wish to stack the votes; you'd like to proceed in accordance with the—that's fine.

**Mr Villeneuve:** I'm easy on that.

**Mr Gilles Bisson (Cochrane South):** Just in regard to your first request, I think our caucus would be agreeable to go with time allocation, if that's okay with everybody else. You were looking for some direction and that's basically how we feel. I'll deal with the other issues as they come along.

**The Chair:** As they come along; so you want me to sequentially go through the votes. Once we vote on one of the votes—just so you understand the procedure—

**Mr Bisson:** No, stack the votes until the end. But I was—

**The Chair:** Stack the votes until the end. Thank you.

**Mr Bisson:** In response to how we should deal with it, we'll go section by section, if that's what they want.

**The Chair:** I understand that. Your reference to "as they go along" meant stacking the votes?

**Mr Bisson:** That's right.

**Mr Sorbara:** Mr Chairman, I can count and I don't count a majority in the opposition parties. I think, though, it's regrettable if we move to time allocation at this point. Generally, my experience has been that when I've done estimates, either from over here or from over there, they work best in the second model you described; that is, a more open forum where my friend from Essex can ask a question and if I'm interested in following up on that question or something the minister or an official from the ministry has said, then I'm free to chime in, as they say, with a supplementary. It works more effectively. After all, this committee is primarily the time the opposition has to really investigate what is going on in government. It is primarily through opposition parties, but government members as well, that the public can have its queries answered as well.



But obviously we're not a majority here, so if the government is going to insist on time allocation, we would have to accept that.

**Mr Pat Hayes (Essex-Kent):** The government has no problem in going in rotation and each party being able to supplement. I think that's proper and fair.

**Mr Sorbara:** If I might, Mr Chairman, the difference is as to whether each party is going to be allowed a specific number of minutes in the time available to us or we're going to have a more free-flowing discussion. I would simply advocate the more free-flowing discussion so that Mr Bisson's questions are not cut off.

**Mr Bisson:** I'm very short-winded.

**Mr Sorbara:** Anyway, I would advocate that. I think it would make for a better estimates process. At least that has been my experience.

**Mr Larry O'Connor (Durham-York):** Just further along the lines Mr Sorbara has been mentioning, in sitting in this committee last fall I noticed quite often that questions, whether they were from the opposition, the third party or the government, as the time was allocated, did flow from one party to the other. Questions that were pertinent weren't dropped necessarily when the third party had finished; quite often the government picked up on them as well. As members representing constituencies and concerns for our constituents, we're all quite concerned about the estimates of each ministry.

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**Mr Villeneuve:** Mr Chair, are we still talking about a time allocation, if indeed supplementaries can be asked? I have no problem with that. It may make a bit of a difficult situation for the clerk.

**The Chair:** Under time allocation, 15 minutes or 20 minutes or half-hour segments are carved out. They go in rotation; no supplementaries are allowed except within the caucuses. We have to be careful that the ministry, when it does respond, doesn't respond in the middle of somebody's time allocation and use that all up. There are some difficulties for the Chair, but we're willing to go under any circumstances.

The old system was with people who had questions and were prepared to discuss them, and as long as they were reasonably brief, the system has worked very well. Mr Hayes and I have participated in estimates in opposition. Mr Sorbara has participated in them in government. You certainly have participated, in both government and in opposition, but there are several new members who have not been in estimates under that method. Somehow the time allocation seems a comfortable way to go for them.

**Mr Bisson:** We're rather easy on whatever the method is, whatever is easier and whatever is a consensus. We'd be willing to go along with whatever people feel comfortable with, but we want them to behave.

**Mr Sorbara:** We have no intention of behaving.

**Mr Bisson:** In that case, we're going to have time allocation.

**The Chair:** If I don't get a consensus, I'll be making a ruling in a matter of moments. We will stack the votes; I

get a clear consensus on that. Mr Cleary is going to be given his 15 minutes and then we're going to begin this process of questioning from the estimates books, and the staff are ready to respond. Mr Sorbara, your final comment on this matter.

**Mr Sorbara:** My final comment is, I don't think we have any problem with the stacking of the votes. That's generally been more effective. I think we're hearing a consensus to allow for a free flow of questions as between the three parties. My one addendum to that would be that you, in your capacity as Chair, ensure that as we go through the hours allocated for estimates each of the three parties is receiving an equitable, not a proportionate, amount of time.

**Mr Hayes:** Mr Chair, I thought our whip made it clear that we don't really have a problem with the free flow and giving everybody an opportunity. We know that the Chair is impartial here.

**The Chair:** Then the last comment falls with me. Unfortunately I have a funeral to go to tomorrow, a very important one, so Mr Carr will be in the chair. I'm sure Mr Carr will be able to serve your needs.

The other point I'd like to make, of course, is that it is always helpful when the minister and/or staff present their responses in a clear, brief and concise manner. That, in the eight years I've been doing estimates, hasn't always been the case.

**Mr Sorbara:** It never occurred.

**The Chair:** No. Maybe you and I weren't able to do it, Greg, when I was your critic, but certainly I sense that the Minister of Agriculture and Food, from the way he responds in the House, is brief, concise and attempts to do that. But I felt it was important to make that statement, because there are some difficulties in estimates when the minister takes a 15-minute allocation of one of the questioners, a three-minute question is asked, with a lot of preamble in it, and then the minister can take seven, eight and nine minutes to answer one question. We've had that experience as a committee of estimates. I'm not naming names; I just simply suggest to you it is that process that we're about to embark on that breaks down when a minister takes a simple question and runs it for 10 minutes. That has been known to happen.

**Mr Sorbara:** Did you know that once—

**The Chair:** Mr Sorbara, I did indicate it was your last comment. I would like to proceed.

**Mr Sorbara:** This is anecdotal.

**The Chair:** Is it anecdotal?

**Mr Sorbara:** A minister was so mad at what was going on in estimates that she, as minister, gave a 17-hour speech in 20 hours of estimates. She got back at the parties. It was a brilliant move, tactically.

**The Chair:** Thank you for that historical footnote for something. We will proceed to stack the votes. I would be pleased to receive a first series of questions from the Liberals—we'll get to your comments, Mr Sorbara—in order to get Mr Cleary's questions on the records. As you realize, we are only doing five hours of agricultural estimates. We will reconvene tomorrow and we will be finished agricultural



estimates by 6 o'clock tomorrow evening. So we need to ensure that in today's activity we get all the questions on record that may require staff research and additional help. That is helpful to staff and therefore it's helpful to the process, so that is how we will proceed. Mr Cleary, I'd like to recognize you for your comment portion of the 15 minutes.

**Mr Cleary:** Last year, the ministry's look-ahead conference was criticized for not being representative of the current agricultural issues. The agenda was totally oriented to environmental concerns and ignored the financial crisis that farmers were facing. How was this environmental theme chosen? Do we feel we got value for our money? What was the cost of hosting this conference?

Another thing I'm concerned about is what the forecast percentage changes in net revenue for Ontario farmers are this year and how they would compare to last year and the previous years. What are the farm bankruptcy figures for 1991? How do they compare to previous years? What were the statistics for total accumulated farm debt?

Another issue facing many farmers I know in my part of Ontario and in other areas is Bill 162. Can the minister indicate whether he has any concerns about the impact of Bill 162 on the deer and fish farmers? Has he spoken to his cabinet colleagues, especially the Minister of Natural Resources, about this issue? If Bill 162 goes as planned, who will look after the compensation for investment losses?

One other thing I was wondering about was that the minister didn't indicate much in his opening remarks about the update on the move to Guelph. What is the timetable for completing this move?

Other things that surface reasonably often are the cuts in field staff in agriculture, and about our existing agricultural offices: We would like to know if there are any future plans on downsizing in these offices.

In An Agenda for People there was \$100 million annually on credit assistance. We wondered about an update for that.

Last fall the minister announced \$35.5 million in emergency agriculture assistance. A number of farm groups had indicated their concerns that less than \$30 million of the money was actually spent. This past April, in a question from our leader in the House, the minister again made reference to a \$35.5-million package. Could the minister give us details and explain any components that were underspent?

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Another thing we were never able to find out, but information we have been asked for many times: How much did the ministry spend in fighting the Ottawa Senators arena proposal at the OMB? We were also asked if the minister was happy with the final position.

Another thing we all get letters about, I guess, is the London boundary reforms, as contained in the Brant report. This seems to have upset a number of farm groups in the London area. I happen to get that often, because I have a relative living there.

Another thing, on GRIP and NISA: They're both supposed to be in place for 1992. Can the minister explain why the province refused to provide NISA funding last year even though it would have triggered a higher level of federal payout?

Another thing we're asked too, Minister, and maybe you could explain if there are any plans to bring more commodities under GRIP.

Can the minister explain whether there are any plans to cap GRIP and NISA coverage or even to link the programs to environmental controls?

We would also like to ask a question on the farm tax rebate. Can the minister indicate whether the current farm tax rebate structure will also be in place for next year?

The thing I started with previously was if the minister has any statistics on how successful the ad campaign has been in convincing consumers to financially support Ontario farmers. If there is no analysis of the campaign, how does the minister know whether the ads are working?

Getting back to a pilot ethanol project, I was asked as late as this morning by a group of farmers who have already sent in their cheques to be partners in that project who want to know what involvement the provincial government will provide in helping start this pilot plant. A lot of cheques have come in already and there are more coming.

Another thing I would like to ask you about: We've had a farmer in, Mr Ben Berendsen, a number of times, and we'd like to get an update from you as far as the agriculture ministry is concerned. I know it's an environmental problem, but I would like to get an update on where that project is at.

Another thing that comes up often is crop insurance. It seems to me there was another campaign promise to provide higher provincial funding assistance on crop insurance. Do we have any plans to review the crop insurance as per the recommendations of commodity groups on the floating rate and on zero years? I'll turn it over to my colleague.

**The Acting Chair (Mr Pat Hayes):** Is that the end of the member's comments?

**Mr Sorbara:** I've got just a few comments. I'm going to try to fill out the time.

**Mr Cleary:** I just wondered how long we had.

**The Acting Chair:** You have about three minutes or so.

**Mr Sorbara:** Three minutes. I'm going to try to make it as brief as possible.

**Mr Villeneuve:** That's not going to be easy.

**Mr Sorbara:** It's not going to be.

I say with the greatest of respect, this is an extremely disappointing perspective, statement and introduction to what must be considered some of the most serious problems this province faces.

I had the pleasure of being a candidate for the leadership of my party over the course of the past year, ending in February, and that gave me an opportunity to do quite a bit of travelling around the province as well. Yes, we are hurting in our cities and, yes, we've lost 300,000 industrial jobs, but I want to tell the minister and I want to tell this committee that nowhere was the pain as hard as on the farm. It didn't matter where you were, those people working the land were the ones who seemed to me, outside of all partisan parts of the process, to be really hurting.

For you to come here and say that when you took over the portfolio 18 months ago you found a little pain and, as

you say, years of coping with economic pressures, and to say that now you have a three-part program: (1) economic stability—you've got nothing in here for economic stability. Your estimates are saying you're going to spend less than you did last year.

Then environmental sustainability. That's not new. That's been going on for a long time. Maybe you added about an ounce of value to it, you reiterated it, but it's not new. I'm sorry, that was the third.

The second, closely related to that, was rural community development. Your predecessors, Riddell and Ramsay, were far ahead of you on the question of rural community development and moving from dealing simply with agriculture and food to dealing with the rural economy as a whole.

The thing that really burns me, as I read this, is not just the lack of real vision and the lack of real new programming in an area that is subject to the most brutal of international competition, as well as problems that are localized down to the hundred acres in wheat—they expand that dramatically. To say that now we've found the solution and, as you conclude, "We've heightened our industry's profile, we've made significant advances and we've done all of this in a period of severe fiscal restraint," I just want to bet you the family farm that if you go out there and talk to farmers right now they'll say it's hurting as much as ever. Things have not improved. One day I would like to come to an estimates committee where ministers acknowledge what is really happening out there.

The final point I want to make is that I want you to put forward to this committee some sort of comparative analysis as to what your party put in its program for reform, its agenda for reform, and to what extent you have accomplished that program. As a candidate, what were you saying you were going to do in the agricultural community and how much of that have you accomplished?

I have a great deal of respect for your ministry staff. As a minister in a government, I worked with these people; I know they are all very well meaning. I simply want to tell you, sir, that this does not match what you said in opposition, it does not match what you campaigned on and, worst of all, it doesn't match what needs to be done out there.

There is a huge amount of disenchantment with governments at all levels when it comes to agricultural issues. Farmers say more and more: "We don't look to anyone for help. We're exposed to these competitive pressures and no one, it seems, at any level of government understands our problems." I just want to say to the minister that this does not represent any progress whatsoever and that we desperately need progress in this sector. I'm sorry for taking a minute or two more than I was allocated.

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**Mr Bisson:** The humble Greg Sorbara.

**The Chair:** Actually, according to our notes you have two more minutes left.

**Mr Sorbara:** Your substitute Chair said three minutes. I'll go on for another hour on this if you want me to, but I think my colleague Mr Cleary wants to have a word as well.

**The Chair:** Mr Cleary, you have two more minutes.

**Mr Cleary:** My colleague Noble talked about farm severances. I know there are many zoning bylaws and official plans in place in our parts of Ontario. Just in the last week or two most of these severances were 120-foot frontages, and it is my understanding now that they're going to increase to a 200-foot frontage by 400 feet deep. That is what I read on the weekend. It came out in letter form from the health unit.

I'd just like the minister to comment on that. Is that strictly Environment or is it the Ministry of Agriculture and Food or what is it? In many parts of Ontario there's a lot of very marginal land, and I guess the only use for that is industrial, commercial or housing. That sure has got a lot of rural people upset if there's any truth in it.

**The Chair:** This has been rather unorthodox up to this point, so I am going to try to suggest we're in a position with the following set of circumstances. Because we've skewed the response, the minister now should be given a certain amount of time to respond to the questions that have been raised by Mr Cleary in his opening statements. I note the minister has made copious notes, as has his staff.

Given that we have one hour left, I think it is helpful to the process that we continue the exchange of questions and answers to ensure most of the questions get on the record today. I think this is very important for us. Then the minister can perhaps begin tomorrow's session by answering some of the more detailed questions that have been raised by Mr Cleary in his opening statements, and I understand Mr Villeneuve has brought some of his questions in print form, which he will share with the ministry staff. Unless the minister would like to respond to one or two of those questions now, then we'll proceed with an exchange of questions and answers.

**Hon Mr Buchanan:** Yes, there are a few I would like to respond to that I think we can take care of right now. I'll do it very quickly and try to allude to the question as I understand it. Basically I noted the questions in one or two words, so I hope I can respond from memory in some cases.

On the last point on severances, obviously there has been concern across rural Ontario about who gets them, how they're obtained and whether it's fair if one person gets one on one side of the road why you can't get one on the other side of the road. It's been a problem for many years. We're operating, as I'm sure the members know, on Food Land Guidelines, which are in fact just guidelines. We have just embarked on a process whereby we are holding, I believe, 15 or 16 different consultation meetings across the province to deal with agricultural land use and its preservation.

I want to make it very clear that we're not just looking at trying to preserve the agricultural land. I would like the rules to be very clear at the end of this process so that it's very clear what the rules are for land that's suitable for housing or suitable for something else, because we know that in many cases some of the regulations that have been in place in the past have been a delaying mechanism for development. There are many I'm aware of in my own area, and I know in other areas of the province, where there's all kinds of private development, housing, that



would take place if we knew what the guidelines were and we could move this process forward. We'd like to have some clear rules in place that will preserve agricultural land and that will allow development and in fact speed it up in other areas. We hope this consultation will provide that.

There was a mention of crop insurance, the question of review. There are ongoing reviews of crop insurance. A number of the different programs are reviewed on a regular basis.

You mentioned additional commodities being brought into GRIP and NISA. That's something I have been suggesting to my colleagues across the country; we would very much like to see additional crops currently under the tripartite program, and some of the others, included in GRIP and NISA because we believe these are long-term programs that farmers can count on and that will provide more stability for the future of agriculture.

There was a question of caps. At this time there's no consideration of caps. It's something we discussed and I argued in favour of. I got no support from the other provincial ministers and we have no plans to introduce caps at any kind of retroactive point in time.

The farm tax rebate issue was raised. In terms of next year we have asked the Treasurer to put that on fast track to the Fair Tax Commission and to come back with some recommendations for the farm tax rebate or a system of farm taxes that would be fair. We would like the commission to come back with some recommendations prior to next year when a decision might come forward on this program.

There was also a question raised as to why we were not full participants in NISA last year, and this is a question I've answered many times. Had I got sufficient warning from Mr Mazankowski, who was the minister, that he was going to provide carrots for provinces to participate, I probably would've been in the program, but we had already gone through a very lengthy process setting our budget and what we were going to spend money on.

At one minute to midnight I got a call from Mr Mazankowski asking me to participate in an enhanced NISA program. It's very difficult to make adjustments and reverse course and find the money in—I think I had 48 hours or so to make my decision. I was just unable, as I'm sure any other minister would be, to make that kind of commitment on that short notice. So we stuck to our guns and proceeded with what we could afford and what we decided to spend our money on, recognizing the fact that it did in fact mean that our producers didn't get the benefit of that extra 0.5% for NISA, but that's the real world out there.

There was another question on Bill 162, which I would like to respond to in terms of game farming in the province. Yes, I have talked to the minister. In fact, I've talked to him many times on Bill 162. I've also met with the deer farmers at least twice. I've met privately with individual game farmers across the province. I'm aware of their concerns. We continue to represent their interests to the minister and ministry. There was a supplementary to the question, asking about the loss of investment if, for example, white-tailed deer farming was deemed to be illegal or you couldn't participate in white-tailed deer farming.

**Mr Villeneuve:** Undesirable.

**Hon Mr Buchanan:** Undesirable, that's the word. Thank you. What would the loss of investment be and who would deal with that? Those are the kinds of details that would have to be worked out if in fact that was the intent and the result of Bill 162, which is a long way from even second reading, as I understand, at this point. There will be lots of time to deal with loss of investment issues when that's before us as I intend to represent game farmers very strongly; but we can work at that later.

There are a number of other questions dealing with numbers in farm bankruptcies, farm debt, the London annexation, the ad campaign, the ethanol which I suggested already we will deal with tomorrow, and the Berendsen case which we will address tomorrow.

Back to your very first question, in terms of the topic for the look-ahead conference last year which dealt with the environment, that decision came up through the program and policies division and staff. You should note that although last year was a very difficult year for agriculture economically, when we came to government I think one of the biggest concerns in farmers' minds was our environmental policies and programs.

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They were very concerned with what we were going to do, what the environmental bill of rights was going to do to agriculture. It was a very big topic in the farm community, and I just would suggest that many farmers were very interested in knowing what this government planned to do in the environment. This particular conference gave them an opportunity to talk about the environment, and one of the outcomes perhaps is the initiative that the farm groups took on their own to get involved and put together an initiative and a booklet on the environment which has been well received.

There was some criticism that we were having a conference dealing with the environment during tough economic times. Nevertheless, the planning for these kinds of conferences goes into place a way ahead of time. You don't plan it at the last minute. In fact, I would suggest that because of that conference and some of the criticism that was levelled—and I don't think it was fair, much of it—we have undertaken a new process to plan future outlook conferences. We've already had two meetings with farm leaders and food industry leaders to look at what our vision will be for the future of agriculture and the food industry, and we're cooperatively planning the next set of conferences that we'll have on agriculture and food.

I think the other questions, Mr Chairman, we can probably deal with tomorrow.

**The Chair:** Thank you very much. I guess at this point we should afford Mr Villeneuve a moment to put on the record his series of questions. We'll facilitate that and then we'll begin a rotation of questions. I think that'll be helpful.

**Mr Villeneuve:** My first one would be a supplementary to the critic from the Liberal Party. What would it have cost the Ministry of Agriculture and Food to participate in NISA in 1991? Ten million?



**Hon Mr Buchanan:** Approximately \$10 million; that's give or take one.

**Mr Villeneuve:** Ten million dollars, and it would have given farm families in Ontario a total of about \$48,000,000, if indeed Ontario participation had occurred.

**Hon Mr Buchanan:** I believe those numbers are a little high, but we'd better make sure I'm giving you accurate numbers.

**Mr Villeneuve:** Okay. I thought it was \$12 million and it would have been a potential of \$40 million back for between 40 and 55 million farmers.

**Mr Anthony Perruzza (Downsview):** For about how many farmers?

**Mr Villeneuve:** Between 40 and 55 thousand farmers, sorry.

**Hon Mr Buchanan:** One of the problems with the numbers is that some of the original numbers that came out included government support programs in terms of net income, and when you took 1.5% of that, it was much higher than the numbers we were actually working with.

There were numbers, as I recall, out in the press which were fairly high. Our suggested numbers were much lower than that. We were operating on two different levels, so there was a discrepancy with what we were actually working with and what the numbers were out in the public. I don't remember the actual numbers, but I do know there was a major discrepancy between the numbers that were circulating sort of publicly and those numbers that we were actually working with based on net income.

**Mr Villeneuve:** Between \$10 million and \$12 million of investment by Agriculture and Food would have brought likely a minimum of \$28 million to \$40 million back to Ontario agriculture. This would be ballpark.

**Hon Mr Buchanan:** I'll get the accurate numbers for you tomorrow.

**Mr Villeneuve:** Okay. My concern at that time was that a certain aircraft manufacturer employing slightly more than 3,000 people was able to go after \$349 million to continue the ongoing process of losing money. That concerns me. I think it tells me that you probably represent Ontario agriculture as well as you can at a cabinet table that is not leaning towards the people out in rural Ontario. I have concerns about that, Mr Minister.

I won't ask you to comment on that, but I'm simply drawing your attention to the kind of money that was readily available through a very strong lobbyist known as Mr White for the Canadian Auto Workers' industry at de Havilland—we might as well name it. Some \$349 million became readily available and some federal money became readily available, yet we were not able to find, at the 11th hour, if you will, \$10 million to trigger some \$30 million to \$40 million for Ontario agriculture. That concerns me, particularly when the economy is the way it is out in rural Ontario.

I just want to put that on the record. It's water under the bridge, but that is what we in rural Ontario and you as our Minister of Agriculture and Food have to fight—a very difficult battle. I can appreciate that you're putting up a good fight at the cabinet table, but those are facts.

I will be dealing now with vote 101, if you don't mind. Can I go ahead and question and get an answer? The questions are not long; the answers should not be long. Then we can proceed with whatever time allocation our party has. I'll gladly forfeit the floor any time, Mr Chair, that you say so.

**The Chair:** I'll give the minister an opportunity to respond, but to clarify it, we're not really in time allocation. We will attempt, if you wish, to proceed with votes. It's helpful when you clarify which section your questions are in. It's helpful to staff and it's helpful to members. If other members have questions on vote 101, then the Chair is willing to recognize them while we spend some time on vote 101, but I'll be recognizing any other questioners or supplementary questions.

**Mr Villeneuve:** Possibly I should allow the minister to comment.

**The Chair:** The minister wanted to respond to your statement and then you can proceed with a couple of questions, if you like.

**Hon Mr Buchanan:** I'd like to respond about what we have done in terms of initiatives, when you talk about some industrial situations where government has responded to needs.

One of the problems, in my estimation, from which the farm community has suffered, probably over the last decade or more, is that it has been divided into various splinter groups. You have many different organizations representing the agriculture and food industry in rural Ontario.

One of the things we've tried to foster—and I think I've worked very hard, along with my colleagues from the rural areas, and I would also suggest that members of the opposition from rural ridings have also helped in many regards—is to bring the farming community together, to bring the different organizations together, perhaps in some cases to lobby government, but in more cases to present a unified voice as to what their needs are.

Obviously their needs are economic, but when you look at the NISA program, for example, and if we had been involved, you're talking about the grain and oilseed sector. At the same time you have pork countervail and you have the pork industry in difficulty, you have the beef industry in difficulty and other people in other sectors also in difficulty.

I think what we've been trying to do is encourage the different organizations, and we've done some things on stable funding and we continue to have the farm groups sit around the table to talk about the environment, to have them work together and try to come up with a unified voice so that governments of all levels can respond to agriculture and food in a unified, cohesive way.

Once you get that, then governments can respond, I think, in a much more effective way than simply responding to all the different organizations that represent different commodities. By encouraging that kind of cooperation, I think governments of all political stripes and at all levels will be able to respond better to the needs of agriculture.

**Mr Villeneuve:** I can assure you, Mr Minister, that governments previous to this one have tried to do the

same, but possibly the economic vice was not tight enough. I can assure you now, from what I saw at several meetings with The Line in the Dirt folks particularly, where a few years ago what was good for me was not necessarily good for my neighbour and vice versa, they're pulling together now and I think it's the economic situation that's brought it all about.

One thing that concerns me, Mr Minister, is that about \$165 million is the amount of funding that you will be providing to the farm tax rebate. That's the one item in your budget that went up by some \$12 million, I gather. Do you feel it's fair to consider that as support for agriculture when indeed it's simply a rebate of taxes that were paid on the education portion of the tax on farm land and buildings? Do you think it's fair to call that support for agriculture when indeed we're talking fairness in the system?

**Hon Mr Buchanan:** I believe we're dealing with an unfair tax on agricultural land, and the fact that the rebate program is now parked in our ministry—it was prior to my time—

**Mr Villeneuve:** Thanks to the previous government.

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**Hon Mr Buchanan:** It was prior to my time. I have talked about how this tax should never have been collected in the first place and how we wouldn't need to have the exchange of cheques and application forms and it would be a lot simpler. But we've decided, as I said earlier, to refer that to the Fair Tax Commission. It's not necessarily support for agriculture, but certainly if the farm tax rebate wasn't there, farmers would obviously be the ones to say, "We need it because of the type of operation we're involved in." So I don't know. It certainly isn't a fair tax, but by not giving it we would be seen to be denying agriculture the kind of support it deserves.

**Mr Villeneuve:** I was on the OFA tax assessment committee and I certainly agree with you. I was very disappointed when it wound up that it was going to be paid by farmers and then rebated. It just makes our city cousins think that we're getting a big cheque every two weeks from the government of Ontario, when indeed it's just fairness in the system and not really support. I'm pleased to hear you say that.

How then can we ensure that the 30%—which I believe is on page 24 here in the pie-shaped diagram—which is shown as the operating cost of your ministry will not get to 35% or more? Do you have certain controls in place? Have you reduced your staff? Have you reduced operating costs? I realize that your ministry is spending about \$575 million, but barely 50% of that is going back to the farmer and part of it is going back in a rather unfair taxation on education for farm land and buildings. Do you have systems in place to make sure that the bureaucracy will stay close to what is anticipated and that those moneys that are transfer payments to the farmers of Ontario will indeed be there?

**Hon Mr Buchanan:** I can answer part of that. Last year we did a 10% reduction on our ODOE where basically we took moneys out of different areas that were not going to affect our stakeholders' group. As we look at how

we live within our means we are looking at some more drastic cuts this coming year, and there are decisions that are ongoing in terms of how we'll deal with that. But staff are committed to living within our budget, and what you see in front of you we are committed to doing. It's very painful for us and we try to minimize any impact it will have on our client group, but we are committed to doing that and staff continue to be committed.

**Mr Villeneuve:** As possibly a supplementary to your reply, when I met with the five different counties in eastern Ontario on the deadstock removal—and I believe in these hallowed halls of Queen's Park you and I have had little discussions about certain things. Do you feel there might be some funding within your budget in transfer payments to support what people at the counties level might be able to do? That will be forthcoming, I am told, in the very near future, if indeed they find funds to attempt to support that industry as opposed to letting the people who were doing the deadstock pickup liquidate and then having to retrain and start up an entire new group. Would you be prepared to look at that in a positive way in the next month?

**Hon Mr Buchanan:** Obviously I am not here today to commit new dollars to programs, but in prior conversations we've had I've talked about a cooperative model. I've talked about a cooperative model in many instances. If municipal governments can come in as active players in terms of being able to commit some dollars along with the province to assist the current system of deadstock operators—and it applies particularly to eastern Ontario, I would say, because they have more or less clearly defined geographic areas that they serve; in other areas of the province it's not clearly defined and it's difficult to discuss—yes, I am interested in partnerships with municipalities and with commodity or producer groups. But I am interested in having discussions with other players who might wish to participate in trying to maintain an adequate level of service for farmers who are having problems with deadstock.

**Mr Villeneuve:** Labour law reform is of great concern to our entire agriculture industry and our food processing industry. Would you accept the responsibility as lead ministry to implement any labour reforms that come to the production end of the food chain?

**Hon Mr Buchanan:** I think I indicated earlier that I'm waiting for the task force report to come out. I've had some preliminary discussions, and I'm sure you have. That may or may not be one of the recommendations, but if it is, I would sooner respond to it at that time because the Minister of Labour, I understand, has told the task force that he wants it to bring forward recommendations and he'll be supportive of them. I think he needs to see what they are before giving his support, but I would sooner wait and see what the task force comes forward with. I am not averse to doing what you've suggested, but I'd like to see what the task force and farm leaders have come up with before I start to stake out my position. Otherwise, there is no point in having a task force bring forward recommendations when the minister starts suggesting what he or she would like to do before the recommendations come forward.



**Mr Villeneuve:** The information I have, Mr Minister, is that indeed some decisions involving agriculture have been made prior to the task force report being received by either your ministry or the Ministry of Labour. That concerns the people on the task force very much, and I understand that. It's also a situation where, in your absence on the last Thursday prior to the break, the Minister of Labour definitely said that it is his hope to include agriculture and have no exception. Can you comment on that?

**Hon Mr Buchanan:** My understanding is that that is correct. I have also accepted that there would be no exemptions for agriculture, and I believe the task force has come to that recognition as well. Once you've accepted that, then it's: What does the alternative look like? What will legislation look like dealing with agriculture? Will it be with the Ministry of Labour, will it be somehow hived off to be part of our ministry, or will it be a combination? I think those kinds of discussions and decisions have not been made yet. It is true that the minister has said very clearly that he's going to remove the exemption, and from the people I've talked to in rural Ontario, I think they've come to accept that much.

**Mr Villeneuve:** You haven't been speaking to the same people I have.

**Hon Mr Buchanan:** I didn't say they were happy. There are certain sectors that are not at all happy with that being removed. But I think they have come to accept that it's a fact, so I think what we need to focus on is: If we give up our exemption, what does the alternative look like? What does the new world of labour relations in agriculture look like? I think that is where we need to focus with the agricultural leaders and we as a ministry will have to focus and work together with the Ministry of Labour.

**Mr Villeneuve:** Well, you can't deliver the Thanksgiving turkey a week after Thanksgiving or the poinsettias on New Year's Day. There's a problem there, as you well know. I'll take delivery of my car or a piece of equipment in November or February and it doesn't make a great deal of difference, but with the type of commodity that we have in agriculture it's a totally different ball game, and I would be very concerned if it's included in the new labour law. I would be very concerned, and there are many unhappy farmers out there who are facing the possibility—and it's a big axe hanging over their head—of falling under the Ministry of Labour.

The definition of a farmer, Mr Minister, in Bill 162: Did you have any input into that at all?

**Hon Mr Buchanan:** My understanding is that Bill 162 came from the Conservative administration around 1984 or 1983, when it was first brought forward. It subsequently was brought in by the Liberals under some other number, and—

**Mr Villeneuve:** It was never brought in under a Tory government, I believe. It may have been discussed, but I don't believe it was brought in.

**Hon Mr Buchanan:** I think it got to first reading, and I think it got to first and maybe second reading under the last administration. Now my good friend the Minister of Natural Resources has brought in his Bill 162. So who

wrote up the definitions, I'm not sure. No, I didn't have any input into the definition of a farmer, but I'm going to have a lot more input in terms of how we handle game farming before this becomes final legislation in third reading.

**Mr Villeneuve:** That's my next question, because in the province of Quebec—and the riding that I represent touches Quebec—they actually have one or two Ministry of Agriculture employees, civil servants, promoting the production of game animals, ie, deer: white deer, red deer and those types. It's of great concern. I guess the Ministry of Natural Resources has its own reason it wants to outlaw white deer and native species, but it is not that way in other provinces, and if Bill 162 proceeds, I can tell you I'm going to be visiting a medical doctor who owns a thousand deer and he's going to be long gone to Quebec, and it won't be long. That concerns me, and I would hope that your ministry would look at that in a positive light and maybe arrive at some sort of understanding with the Ministry of Natural Resources, because it is encroaching on your territory, I don't think there's any doubt.

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**Hon Mr Buchanan:** We certainly subscribe to the view that game farming is an agricultural issue. In fact, my personal view is that it provides some economic rewards for farmers in many areas of the province that they're not getting from some traditional crops and livestock groups. We're not at the moment going overboard on promoting it, but I'm certainly aware when I've talked to the different groups that it is an economically feasible activity to get into, as long as everybody doesn't do it.

We certainly would support that. We see it as a way of farmers either supplementing their income or getting into that. We have various crops, tobacco and others, that are being phased out or squeezed out one way or the other, and we need to look at non-traditional commodities, whether it's game farming or aquaculture, expanding the number of fish species that can be farmed, which is another area. We have interesting conversations with our brother minister in MNR, but we need to look for other opportunities to expand farmers' opportunity to make a decent living.

**Mr Hayes:** I just wanted to make a brief comment on what Mr Villeneuve was talking about earlier about farmers getting together, and he is correct; they started pulling together as a result of the economic climate. Also, I think we have to give quite a bit of credit to the ministry, especially the minister, for allowing all the different farm organizations and associations that actually have participated in the programs for the long-term planning—I think that's very important—where they have the input. Of course they know what is best for them. I think that's why these programs will really be successful.

**Mr O'Connor:** My question was on the need for some long-term farm financing programs, and I just wondered if you can comment a little bit more on how you're going to be spending the \$20 million you've got allocated. Can you explain how you're planning on allocating that?

**Hon Mr Buchanan:** The one program we've announced in some detail is the commodity-based loan program which allows producers to use their crop insurance



contracts to secure lines of credit in the spring before spring planting. We've committed about \$1.5 million to that, but \$1 million of that will go towards loan guarantees in case of any problems. The rest of that money is going to the administration, assisting and setting up the new corporation. The details of that program were announced back in March, prior to the budget.

The balance of the money, about \$19 million, is going to be split among the four other programs we mentioned and made an announcement on a week or so ago. They're very diverse in nature and we haven't arranged the details, because what we're doing is working with our different farm leaders, people who are interested.

Most of these ideas came from the consultation when my good friend the parliamentary assistant took his committee across the province and got these ideas from the farm communities. We're continuing to work. The private mortgage guarantee and some of the other things we've mentioned have details that need to be worked out. Actually, Bob Seguin, who's our director, can probably come to the table and give you a breakdown of some of the specifics, because he's been working very hard with the financial institutions and the farm groups to flesh out some of these other programs that we hope to have up and running this year so we can use the \$19 million and we won't be sitting here next year trying to answer why we didn't get that money out to farmers.

**Mr O'Connor:** I think you anticipated my supplementary, because I was wondering how we could get the financial institutions involved. Are they actively involved? How successful have we been at trying to get them involved?

**The Chair:** Welcome, Mr Seguin. For the record, you're executive director of the policy and programs branch. Please proceed.

**Mr Bob Seguin:** Thank you. I'll respond to Mr O'Connor's second question first. We have the financial institutions involved through the commodity loan program. With the help of the producers and the Agricultural Commodity Corp they tendered a commodity loan proposal. We had 10 financial institutions bid on it. The Bank of Montreal won the bid. They're almost finalizing the negotiations to implement that program between lawyers fine-tuning the legal language.

The other parts of the package the minister referred to—without getting into final details because, as the minister noted, we haven't finalized each program detail and the actual expenditure—would be about \$3 million or \$4 million in our education and farm management training initiative, which will include efforts at legal education, which Mr Wilkinson from the federation of agriculture raised, that farmers across the province need better legal assistance; working with credit unions and caisses populaires to improve their training capacity so they can lend better to farmers. There'll be a package of private mortgage guarantees of a couple of million dollars to assist farm borrowers to negotiate better with the farm lenders for private, rather than going to the financial institutions, bringing private lending more to the fore.

We're also doing one package which is very innovative and which will be the largest-cost package. It's a pilot project for possible implementation early next year. It's rural loan pools, trying to stimulate the lending opportunities within rural communities to lend to farmers and putting up moneys that would be allowed to cover defaults, a large contingency fund, but using that contingency fund to leverage financial institution cooperation.

So far we've been fairly successful in the general concepts. We're now working with the Canadian Bankers Association on the latter one and with the credit unions and caisses populaires. We've been very successful working with them in training their staff to lend better to farmers.

**The Chair:** Thank you. Dr Frankford has a question if you're finished, Mr O'Connor.

**Mr O'Connor:** I have one more. Is this to replace the farm interest program that was in place before, and how did you come to that decision?

Interjection.

**Mr O'Connor:** I come from rural Ontario. What can I say?

**The Chair:** Never apologize for being a good representative.

**Hon Mr Buchanan:** The interest assistance program is an ad hoc program that's been around for a number of years, but as a one-year program. Every year the minister would wait and then an announcement would be made at some point. Farmers never knew whether it was coming or it wasn't. It was sort of on the strength of the minister or the lack of strength in the farm community; a lobby went out that said, "We need this money," and it was announced on a year-to-year basis. I believe that in a political sense the aim was to try and increase it a little each year, but it was a one-year program; it was never anything farmers could count on.

It was in our base budget last year. When Mr Hayes went across the province, he heard, "Put some long-term programs in place that will assist us to get lower interest rates so we can decide if we want to borrow money, how much and what the terms will be, and don't simply give us a handout every year to help offset our interest costs," because they never knew what was going to be there; they couldn't count on it.

So what we've done is that this is less money than the 50, but it's long-term, it's going to be in place for four or five years and farmers will know what the rules are; if they go out and borrow money they'll know what the costs are going to be and that there's not going to be an announcement next year that we're going to pay a significant part of the interest. It allows them to do their planning, and that's what they asked for. Obviously they'd like more money—everyone would—but it's a long-term program, the kind of program they've asked for to get rid of the one-year programs that pop up and then are gone the following year.

**The Chair:** Mr Cleary, do you have a supplementary?

**Mr Cleary:** No, I don't.

**The Chair:** Okay, then I'll recognize Dr Frankford. Did you have a supplementary, Mr Villeneuve? Briefly, because I'd like to keep the rotation going.

**Mr Villeneuve:** You've only got one bank involved in this financial situation. I gather it's the Bank of Montreal.

**Hon Mr Buchanan:** That's what Mr Seguin said. Yes, that's true.

**Mr Villeneuve:** I don't deal with the Bank of Montreal; I'm a farmer. Would there not be some discrimination against either a bank or a farmer or where he happens to be doing business?

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**Hon Mr Buchanan:** No. We have a commodity corporation which is producer-driven which will deal with all farmers. I'll let Bob explain the details. They don't necessarily have to visit the Bank of Montreal to deal with the program.

**The Chair:** Welcome back, Mr Seguin. It would not be unappreciated if you had more details that you could furnish the committee with in writing.

**Mr Seguin:** We'll do that tomorrow with the committee.

**The Chair:** Thank you.

**Mr Seguin:** To answer Mr Villeneuve's question, the Bank of Montreal won the bid. A number of banks were able to bid on it. They offered the best price to the commodity corporation. The commodity corporation will be lending the moneys to the farmers; the Bank of Montreal is the one that lends money to the corporation. Where those farmers do their other banking is indifferent. We've discussed this with the Canadian Bankers Association to make sure there is a full awareness of who's participating, how the program would run, that all the banks are aware of what will happen. This includes the trust companies and credit unions as well, caisses populaires.

It is the intent of the commodity corporation in the future to have flexibility to switch banks or, in the event that the program is very successful and increases the amount of moneys to lend, to have a consortium of banks. We feel that it would work very well, and any competitive concerns raised by the banks have been minimized by the kind of discussions we've had over time. The reality is that the commodity corporation itself will be acting more and more like a bank itself to protect everybody's interests.

**Mr Villeneuve:** When will the commodity corporation be in business to be able to assist farmers? As you know, 95% of the seeding for this year is already done, the financial costs the farmers are committed to. It won't be much good to them this year.

**Mr Seguin:** We recognize that difficulty and it's been like the discussions with the bank. The commodity corporation itself will fine-tune some of the guarantees and the operating procedures of the commodity corporation. It is my understanding that the commodity corporation will be making an announcement this week about when it intends to make its first applications available, and it's ready to do so.

**Mr Robert Frankford (Scarborough East):** To a large extent, of course, our economic situation, provincially and nationally, is dependent on the world economy,

the world trading blocs, and I wonder if you could tell us something about the status of the GATT negotiations and comment on what you're doing to protect the interests of the Ontario agriculture and food industry in the GATT negotiations.

**Hon Mr Buchanan:** In terms of the GATT negotiations, this has been a roller-coaster issue for me and for the senior staff who have been trying to keep on top of what's happening with GATT. Over a year ago there was an anticipated agreement, December 1991; then there was expectation there was going to be agreement in 1992.

In Ontario, the supply management commodities, basically dairy and the feather industries, have been very concerned that supply management was not going to be protected, that federal government negotiators were not supporting them as strongly as they should have. That was what the 30,000 demonstrators were on Parliament Hill about a couple of months ago.

**Mr O'Connor:** I think if you looked around the room you would see a few of us who were there with you as well.

**Hon Mr Buchanan:** Yes. There was an anticipation that there was going to be an agreement; it was imminent. Since that time, the interest in the agreement seems to have fallen off. As recently as last week there were reforms announced in Europe dealing with their subsidies; for example, there's a 29% cut in support price for grains in Europe, something like a 16% cut in the support for beef. So they announced some cuts.

There was a belief in the press that this was going to spur agreement at GATT. We have ascertained that in fact this has not led the Americans to respond and say: "Yes, we want to deal. The Europeans have moved and now are ready to go." So we're still not very optimistic that we're going to have a deal by Christmas of this year, which is the absolute, final deadline.

We continue to support the federal position. We have continued to write letters and we're now investigating how we can have some influence with our colleagues in the US as to how we get them to move and appreciate what our position is, particularly in Ontario, dealing with supply management, because that's very vital to dairy and the feather industries in this province.

**Mr Villeneuve:** As a supplementary to that—

**The Chair:** If it's brief, Mr Villeneuve, because Mr Cleary's been most patient.

**Mr Villeneuve:** It is. I understand there's a 15% acreage set aside, if indeed they accept the 29% reduction. What will they get compensated for that 15% reduction in acreage? What's the compensation to the farmer who's pulling 15% out of production?

**Hon Mr Buchanan:** That's a good question. What I read in the newspaper, any staff member has a—Bob, what is the European set-aside going to look like?

**The Chair:** Welcome back, Mr Seguin.

**Mr Seguin:** In answer to Mr Villeneuve's question, the European proposal, which has now been accepted, is still being fine-tuned. It refers to the fact that we had income assistance on the reduction in acreage. The real concern



that's been raised in European papers is how this will be monitored, audited and what limits might be placed on farmers switching lands in and out. That still hasn't been resolved. A lot of the administrative details of the proposal still haven't been worked out.

The concept would be that the lost income would be replaced up to a certain level. The other concept that's still on the table is that larger farms would not receive the same level of compensation as smaller farms that took acreage out. But again, that hasn't been finalized in terms of administrative details. That's one of the concerns the international community is looking at: How will this actually work in the European Community?

**Mr Villeneuve:** You're taking away on one hand and subsidizing on the other. It looks like a bit of juggling maybe, to bring a bit of grain out of the system.

**Mr Seguin:** There is that suspicion.

**Mr Cleary:** We talked about the east, we talked about the south but we didn't talk much about the north today. Why did the government decide to end the AgriNorth program?

**Hon Mr Buchanan:** I'll attempt an answer and then I'll try to get you the absolute correct answer. I understand that was a five-year program or a definite-term program that in fact ran out. When its time came up, it terminated automatically. It wasn't that we cancelled. As I'm sure the member will know, many times government programs are announced with a time period to end them in. When the time runs out they just disappear. We didn't cancel the program, it ran out.

We did an evaluation of it, though, a very extensive evaluation. We recognized that many of the components were valued in the north. I certainly have talked to the Minister of Northern Development and Mines and pointed out that we saw value in it. The farmers thought it was a useful program and it should be continued. It's not in place this year but I anticipate that we may be able to introduce similar programs, the components, for next year. Having said that, I don't know whether anything from staff—Ken?

I'm sure the member knows it was also not our money. We were using northern heritage money. It is always appreciated in agriculture when we get other ministries to participate and contribute dollars for the benefit of farmers.

Ken Knox, ADM—

**The Chair:** Assistant deputy minister, agriculture and rural services, welcome, Mr Knox, proceed.

**Mr Ken Knox:** The evaluation the minister referred to was taken seriously by us. The Ontario Federation of Agriculture also went across the north and investigated things more fully with farmers. They have put together a proposal which we're going to take to the heritage board very soon.

My understanding is that in a month we'll have a proposal before the heritage board on behalf of the farmers in Ontario for a program that would be similar to AgriNorth. There would be different components based on the changing needs in northern Ontario. It was seen as a regional program. The heritage board is set up to address those kinds of issues.

**Mr Cleary:** I was of the understanding that it was working exceptionally well over the past number of years. I was kind of surprised when changes were made.

**The Chair:** Proceed, Mr Knox.

**Mr Knox:** If I might do that. The program did reach its conclusion. It was a term program, as the minister has stated. At the end of the program the evaluation was recommended—took place. It may be there are components in there that will continue with the new program if the heritage board in its wisdom chooses to fund those initiatives. The OFA have led the drafting of the proposal that will go before the heritage board at its June meeting.

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**Mr Cleary:** Thank you. Do I have another one?

**The Chair:** If you'd like. I have no other requests at the moment. I do for Mr Villeneuve, but I sense you'd like to proceed with another question, Mr Cleary. Please do so.

**Mr Cleary:** Yes, I'm just wondering—we get hit with it all the time—about our field representatives. With all the environment issues and everything that farmers are hit with right now, hopefully it's not going to happen, but if there were any staffing reductions being decided, who would control where these cuts were made?

**Hon Mr Buchanan:** I'm going to give the gist of the question to the deputy, but I would like to point something out before I do that. I participated yesterday in the opening of a new facility in Port Perry, which is now to be the office for Durham region. Prior to that, there were two offices, one in Uxbridge and one in Bowmanville. Durham county or region was split in half. You had farmers and producers in that area. We had our staff split between the two offices. The demarcation line between Durham East and Durham West was not clear.

I talked earlier about the division in the farm community, and that was contributing to it. There's a decline in the number of agricultural producers in Durham. We consolidated in one office. We have tried to make sure we've still got the staff with expertise available to the whole county. I think it's going to do justice to agriculture in Durham region. It was a consolidation, and I think most farmers have come to accept that as a positive thing. It may lead to a minute reduction in terms of staff, but in terms of services to farmers in fact it's going to be maintained. In terms of the decision about staff cuts, I'm going to ask Rita to respond.

**Ms Rita Burak:** I know, Mr Cleary, that there have been press reports from time to time that the ministry is cutting back on its field delivery resources. We can provide you with some numbers. Out of our total complement of just over 2,000, the vast majority of the staff are in the education and research division, the ag and rural services division and the lab and inspection division. Those are the people out there working directly with our farmers. I think the perception may be that from time to time we've had to hold vacancies open in order to make sure we don't exceed our salaries and wages account, but we've been very conscious of the fact that the bulk of our staff resources should go directly into serving our farmers and to try to be as lean as we can on the administration side.



**Mr O'Connor:** If I can ask a supplementary, the minister brought up the change in offices in Durham, which does affect my riding, because the office in Uxbridge was one that was moved into consolidation. My concern is about the program that is run for our young people in rural Ontario, known as the 4-H clubs. There was somebody from the ministry in that office in Uxbridge who did outreach with my local young people. Would that service still be there? You may not be able to answer that right now, but you can answer me later on.

**Hon Mr Buchanan:** The ADM is nodding his head. The answer to that is yes. I believe we are trying to expand and enhance services, not reduce them, but we've done it from a central location. It won't be done necessarily right in Uxbridge, but it can be done from Port Perry. There are opportunities for 4-H activities. They don't have to just be at the office. They can be at other centres around the region. Ken, would you like to respond to the specifics?

**Mr Knox:** The 4-H program has evolved over 75 years in Ontario. One of the things that's occurred over the last five years is interest among the 4-H leaders to take on more ownership of the program. With that there has been a 4-H council which has developed its walking legs and its wings over the last period of time, taking on more ownership. Volunteers have always played a very important role, will continue to and will give more direction to the program than they have in the past.

Further to the minister's comment about central policies, those are now as opposed to years ago being developed by the leaders in conjunction with our staff. As far as the delivery is concerned, we've always depended on volunteers to do a lot of the delivery. The rural organizations and services specialists which are scattered throughout the province in each of the county or regional offices continue to exist and will be providing support to the volunteers.

**Mr Villeneuve:** I touched in my opening comments on Ontario wine. I did question the Minister of Consumer and Commercial Relations regarding an example that was set in a couple of other Canadian provinces where restaurants were given a break on the tax for local or Ontario or Canadian wine. To me, that would be very positive, particularly in those areas similar to the ones I represent, which are border communities.

I'll tell you, there's a terrible difference between the cost of a glass of wine in Massena, New York, and a glass of wine in Cornwall, Ontario. I realize you're dealing with another ministry, but that ministry is making an awful lot of money on a product that is produced by our Ontario grape growers. I would like your comments on that, because to me that is the way to go.

**Hon Mr Buchanan:** We have a lot of responsibilities, but getting taxes reduced, which is what you're suggesting, is always difficult. We have a hard time sometimes just holding the line on tax increases without suggesting reductions, especially in these very difficult times.

We have sent letters to my colleagues across the government—I mentioned it earlier in my statement—that all of us have to play a role as ambassadors for consumption of Ontario wines, and in fact other Ontario produce as well.

When we talk about the wine industry, our ministry has a good working relationship with the grape growers, we have a reasonably good working relationship as well with the wine industry and in fact there was an increase in consumption of Ontario wines last year. It was a very successful year.

I spent a considerable amount of time talking to a gentleman I'm sure you know by the name of Andy Brandt, who has many ideas about how we can expand grape production and ultimately wine consumption of Ontario wines in the province. I'm looking forward to having a subsequent meeting with him to talk about some of his ideas about how we can promote Ontario wines.

The Ontario Treasurer can still get the taxes and the consumption in fact may increase in order to offset imports, because I think what I'm talking about is not trying to get everybody to drink more wine but trying to replace the imports with Ontario consumption and thereby also contribute to the tax coffers of the province.

**Mr Villeneuve:** I think you should never let your colleagues at the cabinet table forget the taxes that are brought in by the wine industry, by the tobacco industry, by the entire food chain when you consider the processing and the taxes that are paid in that, and the gas tax in the moving of produce. If someone would sit down and do an in-depth analysis and then look at the budget you as minister have to administer for an industry that brings in—it's one of the few very positive industries in Ontario and it's very basic to the entire province. When we look at that, and on the surface the tobacco tax alone is \$1.4 billion, without the related effects, including the provincial sales tax, yet your ministry's budget is only \$575 million.

The horse racing industry, Mr Minister, is very concerned with—

**The Chair:** Mr Villeneuve, I'm sorry, I have to ask you to pause for a moment. I want to say that in five minutes we'll be called to the House for a vote on the Liberal opposition day. I have two members who wish to ask questions and it would be at this point as well that I would ask all members that if they have additional questions or documents they wish tabled to have them tabled so that we can give them to the staff to work on this evening and tomorrow before we reconvene at 3:30. Mr Cleary has tabled a series of questions—17 pages, in fact.

Interjections.

1750

**The Chair:** I won't even comment. Mr Villeneuve, just for the purposes of tabling them at this point. They won't appear in the record but we'll endeavour to get them on the record.

**Mr Villeneuve:** I've given Dr Collin a copy of correspondence concerning the method with which the ministry does some of its bidding and its—

**The Chair:** I have a letter dated February 14, 1992, to the Kingston district office, Ministry of Agriculture and Food, from the Piblico company regarding a tender opening. They raised several concerns which Mr Villeneuve would like the ministry to respond to.

**Mr Villeneuve:** One of my questions is: What is the tendering process within the ministry, and do we have many such situations where the low bid, for whatever reason, be it on the wrong type of forms or whatever, is not the bid that's accepted?

**The Chair:** Any other questions from the opposition parties? If not, Dr Frankford.

**Mr Frankford:** I would like to shift gears slightly as an urban member, perhaps pointing out, as Jane Jacobs has observed, that it's cities that create agriculture, not agriculture that creates cities. I'll leave that for comment.

If we could have this as a topic for some comments tomorrow maybe, I've noted, for instance, and I'm sure people have observed the paradox that we have farmers eager to sell while we have food banks. If we could have some suggestions about how we can break that down—I'm interested in the potential of helping urban economies by the production and processing of food. I'll point out that even in my riding of Scarborough East there is a commercial apple orchard. I'd be interested in comments on that. One aspect of that which I think was in the minister's remarks was around developing farmers' markets. There is certainly some interest in that in Scarborough. I would be interested in hearing comments on those.

**The Chair:** Those are referred for tomorrow.

**Mr Villeneuve:** Mr Chair, I now have a copy of—it's four pages. Five of my questions have already been answered by the minister. There remain about 18 more. I would be quite pleased to table them now.

**The Chair:** You'll submit those. Thank you.

**Mr Hayes:** There is one concern many of the farmers have and of course all other sectors do, and that is the North American free trade agreement. I'm just wondering, for the benefit of all the members, if the minister could possibly bring us up to date on what is happening on negotiations and also what is happening to attempt to protect the interests of Ontario farmers. If you want to answer that

tomorrow if it takes too long, I'd be glad to wait until then. Tomorrow's fine if you want.

**Mr Villeneuve:** The minister's going to tell you that we have to protect ourselves by going through with it.

**The Chair:** I sense that the minister would like to give justice to the answer. That means the fullness of time.

If I might have a liberty before we're notified to return to the House: On Dr Frankford's question, I chair a coalition of four food banks in my community and we've recently undertaken discussions with an agricultural group to produce food on a collective basis. I certainly would be pleased to share that with the ministry, but I would like to build on the question as to what, if any, efforts your ministry is making to promote surplus harvests, land that's not under production that we're putting into production, the involvement of school children and a whole series of exciting and creative things that we're doing in Halton region in our agricultural belts to bring the food into urban Burlington to service the 2,000 people in my community who are dependent on food banks every month. I'd be pleased to see what initiatives may be undertaken or the openness of the government to look at them.

**Mr Hayes:** I would like to compliment the Chair. It sounds like a good socialist program.

**The Chair:** We don't have our hand out to government, so by definition it's not a socialist program.

**Mr Bisson:** Sounds like a red Tory to me.

**The Chair:** I appreciate that we have attempted another approach to estimates. It seems to be working well. I apologize that I will not be in the chair tomorrow, but personal business takes me.

Since we are being called to the House, I declare, there being no further business at this point, that this meeting is adjourned, to reconvene tomorrow at 3:30, at which time we will have two hours and 40 minutes remaining to complete the estimates of the Ministry of Agriculture and Food.

The committee adjourned at 1757.







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### STANDING COMMITTEE ON ESTIMATES

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Ramsay, David (Timiskaming L)
- \*Sorbara, Gregory S. (York Centre L)

#### **Substitutions / Membres remplaçants:**

- \*Cleary, John C. (Cornwall L) for Mr Ramsay
- \*Hayes, Pat (Essex-Kent ND) for Mr Lessard
- \*Villeneuve, Noble (S-D-G & East Grenville/S-D-G & Grenville-Est PC) for Mr Carr

\*In attendance / présents

**Clerk / Greffier:** Carrozza, Franco



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## Assemblée législative de l'Ontario

Deuxième session, 35<sup>e</sup> législature

# Official Report of Debates (Hansard)

Wednesday 27 May 1992

# Journal des débats (Hansard)

Mercredi 27 mai 1992

## Standing committee on estimates

Ministry of Agriculture and Food

## Comité permanent des budgets des dépenses

Ministère de l'Agriculture et  
de l'Alimentation

Chair: Cameron Jackson  
Clerk: Franco Carrozza

Président : Cameron Jackson  
Greffier : Franco Carrozza

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# LEGISLATIVE ASSEMBLY OF ONTARIO

## STANDING COMMITTEE ON ESTIMATES

Wednesday 27 May 1992

The committee met at 1541 in committee room 2.

### MINISTRY OF AGRICULTURE AND FOOD

**The Acting Chair (Mr Gary Carr):** It's my understanding that we have two hours and 40 minutes left, and we're looking at some of the votes on 101. The minister yesterday, I guess, received some written requests for answers, and I believe the minister is going to start off with some of those replies.

**Hon Elmer Buchanan (Minister of Agriculture and Food):** I believe, Mr Chairman, that both opposition parties had questions around the issue of ethanol and its status. There was a specific question from Mr Cleary, and I've asked Len Roozen, director of the policy analysis branch, if he would give us an update on the ethanol industry and if possible, if he could touch on the specific project that Mr Cleary was asking about.

**The Acting Chair:** If you could just state your name for the record right now.

**Mr Len Roozen:** Thank you, Mr Chair. My name is Len Roozen. I'm director of policy analysis branch for the Ministry of Agriculture and Food.

As the minister indicated, there were a couple of specific questions related to the issue of ethanol and I'd like to address both of them as well as provide a general update on what the ministry has been undertaking in terms of developing appropriate support for ethanol.

First of all, with respect to the specific questions, one question on vote 101. Question 9 concerned the status of fuel ethanol strategy. Is this part of the ministry's rural development plans? Is there any funding from the Ministry of Energy, Ministry of the Environment or Ministry of Industry, Trade and Technology under their development in support of green industries mentioned in the budget?

With respect to the three strategies, they are on separate tracks. The ethanol strategy is being coordinated by myself in my role as chair of an interministerial committee on ethanol. That committee—I'll refer to it in a couple of seconds—comprises a number of ministries which have an active interest in the topic, so it is actively trying to develop some strategies. At the same time, the community development initiatives are being developed by the Minister of Municipal Affairs, and in that process the Minister of Municipal Affairs has not targeted ethanol as an explicit initiative for community development.

Nevertheless, it is quite likely that suitable ethanol initiatives might come forward and be able to be fitted within the various initiatives that are under development as part of that package. Specifically, there are a couple of initiatives which the Minister of Municipal Affairs has referred to—the community bonds and the community loans initiatives—which may well be suitable for tying together with some initiatives in the area of ethanol. But those initiatives

would first and foremost be driven by identified clients, not by the ministry itself.

With respect to the green industry strategy, the Ministry of Energy and its other coordinating ministries are pulling that strategy together and it too is in the development phase. It is not yet at the stage where there are specific projects identified. Nevertheless, again ethanol as a potentially green product has the potential to see some development initiatives take place within the green industry strategy.

In regard to some of the activities that are currently happening with respect to the Ministry of Energy's involvement with ethanol, it is currently actively involved in a number of projects. Those would include some research into whether ethanol from waste paperboard has potential. Second, they're actively participating with this ministry in a study of the technologies that relate to the Seaway Valley Farmers initiative, the PARTEQ technologies, to establish whether or not those technologies might suitably be employed in a cost-effective way in the production of ethanol. Third, the Ministry of Energy already has some work under way in the area of willow tree research.

The other specific question that was raised was under vote 104-1, education and research. Farmers in eastern Ontario are looking for government assistance for the development of a pilot plant for ethanol production. The question was, "Can the ministry indicate that the government will provide the necessary funding to help start the pilot plant?" By way of background, the project in question is the one sponsored by the Seaway Valley Farmers Energy Cooperative and that group, of course, represents a number of farmers in eastern Ontario.

It has two specific components to its proposal. The first of those is a demonstration project which uses the unique technologies developed by the Partners in Technology at Queen's or PARTEQ technology centre. That project is aimed at putting into place a five-million-litre facility which would demonstrate that their unique technology is capable of general application in the production of ethanol.

The second component to that project is the 15-million-litre, full-scale ethanol facility. The way in which the review of that project and the requests that go with it are being handled is that this group as well as many others was invited to participate in a consultation held by the interministerial committee which I chair. That interministerial committee was attended on April 29 and 30 by something in the order of 25 to 30 presentations from bodies interested potentially in the ethanol industry, and Seaway Valley and the various participants that the group represents were all invited to participate.

They gave us a full synopsis of the kinds of activities that those projects would entail. There was an indication at that presentation that there might be a role for government

to play in providing some support for feasibility studies related to that project. Those requests, along with all the other requests, because the consultation did yield a number of proposals and a number of different opportunities for ethanol production in Ontario, are all being assembled and are going to form the basis for a full consultation which the ministry will hold after they have been properly coordinated.

The individual requests that relate to the Seaway Valley project itself have not been made explicit in the sense that there's no specific request for assistance; rather there was a suggestion that there might be a role for government to play in financial participation in the feasibility study. We're getting together with the group to identify the specifics of that request and then to form an appropriate response to it. Again, that will form a subcomponent of the full report, based upon our consultations, which will then be turned into a discussion paper and taken for public review.

The other thing I would point to with respect to that particular project is that last year our ministry, as well as the Ministry of Energy, jointly funded a project sponsored by the Canadian Renewable Fuels Association examining the cost-effectiveness of various-sized facilities in ethanol production, and some conclusions were reached about the effective sizes of plants that might be put into place.

In order to properly assess the PARTEQ technology, as I said earlier, there will be an extension of that study to ensure that its implications for the findings of the original study will be fully taken into account, with the expectation that the results will be that it produces a more cost-effective level of production for any given size of plant.

In a general sense then, as I mentioned, I chaired the interministerial committee. It's comprised of all the major players—the ministries of Industry, Trade and Technology, Environment, Energy, Transportation, Revenue, Labour, Consumer and Commercial Relations and Treasury and Economics—to ensure that any body with an interest in the topic has an opportunity to bring its views forward.

The purpose of the committee is to bring some proposals together with the perspective of looking at ethanol as a means of facilitating community development, for securing farm incomes, for conventional fuel replacement purposes and for identifying new crop technologies. The committee does not look at this from the point of view that corn is the only vehicle for the production of ethanol, and in fact the industry, in our consultations, gave us that same perspective. The expectation is that corn will form the basis of an ethanol industry if it is to occur in the short term, but in the longer term it's likely to be some alternative commodity such as waste paper, other celluloses, willow trees, among others.

Some recent developments in this industry have led to renewed interest in it. Probably the most significant is the recent announcement of the 8.5-cent federal excise tax exemption, and that, coupled with the existing provincial exemptions for the fuel, results in a fairly substantial tax preference of 23-cents-plus a litre. That has clearly changed the economics, to the point where very large scale facilities are now deemed to be marginally economically feasible. Smaller-scale facilities, according to our

Chemcorp study, are somewhat less likely to be economically feasible.

Another recent development, or pending development, is that tomorrow UCO Petroleum, in conjunction with Sunoco, will begin to pump ethanol-blended gasoline for consumption in Ontario at 21 gas stations. That will again heighten consumer awareness and interest and probably lead to some renewed and broadened interest in the development of an ethanol industry.

One other recent development that is less helpful in the development of the industry was Hydro's January announcement that it's unwilling at this point, or unable at this point, to accept substantial amounts of cogenerated electricity. Cogenerated electricity from an ethanol plant is critical to making the economics of the plant work effectively in many of the other proposals that were put before us. The Ministry of Energy, in conjunction with Ontario Hydro, is examining that question to review with us whether there are circumstances that might change the earlier thinking on this.

#### 1550

As I said before, the Chemcorp study has suggested that large-scale plants are marginally economical; smaller-scale plants are less so. They've pointed out that we'd need to have a fairly substantial industry. There's a critical mass that has to be achieved in order for ethanol to be a success in Ontario, and that's about 350 million litres out of 12 billion litres of fuel conventionally used in cars in Ontario, just to put it in perspective.

Our consultation really gave us three streams of information. It gave us a really good inventory of the kinds of projects that are in the pipeline, and there are a number of them. I won't go through them in detail, but they range from 50 million litres to 350 million litres, as well as the smaller demonstration-type plants related to the PARTEQ technologies.

The other major things it revealed were that the issues that face the industry at the current time are primarily issues related to the ability of Hydro to accept cogenerated electricity, the development of markets and the need for consumer education on the product, as well as a need for further research into feedstock costs. Corn is viewed as a relatively expensive feedstock even though it's viewed as the feedstock that will kick off the industry, because all the technologies are in place to use it.

There was also a clear recognition that the other major issue is the oil industry's unwillingness to accept ethanol. It would prefer to use other products for blending in order to reach the kinds of standards for fuel that it sees in Ontario or nationally in the future. They have a vested interest in the use of chemicals they produce themselves as opposed to using ethanol as the means of boosting octane in consumer fuels.

The third main stream of information was the kinds of roles government can play. That information suggests that there is not a widespread request for financial support but that there is a widespread view that government can play a leadership role in demonstrating that ethanol is a meaningful and useful fuel for Ontario consumers, and if this kind



of environment is created, that the economics, to a great extent, will fall into place.

There were suggestions that came from the vast array of projects we heard from that range from direct grant support and loan support on the financial side, to issues such as ensuring that there was a continuation of the provincial and federal exemptions for ethanol, to demonstration projects using ethanol in government vehicles, issues such as education and promotion through programs instituted either by the Ministry of Agriculture and Food or through the Ministry of Education in conjunction with the Ministry of Agriculture and Food, or that the Ministry of the Environment could deem ethanol as an environmentally friendly product, as has been done by the federal government.

There were suggestions related to the facilitation of industry development, working with Hydro on the cogeneration issue, working on new technologies and alternative crop production technologies and clarifying trade issues to ensure there is no dumping of the fuel in Ontario if an industry develops.

**The Acting Chair:** I presume there are a couple of supplementaries. I wonder if you'd be prepared to go to that now, because there are a couple of signals for specifics. Mr Cleary, if you'd like to go ahead.

**Mr John C. Cleary (Cornwall):** Mr Roozen, you had mentioned your interministerial committee. I was wondering when decisions are going to be made.

My second question is similar. You had talked about new technology. Are you familiar with this new molecular sieve dehydration program, the new standard for a quality ethanol product which would cut the cost by several cents a litre?

**Mr Roozen:** I'll take the second question first. Yes, that technology was brought to the attention of the committee in its consultations. It does appear to have some potential for reducing the cost and will be assessed as part of the exercise we're undertaking.

In terms of the time frames involved for reaching recommendations out of the committee, as the committee completed its consultations last month there was agreement that the results from them would be circulated to everyone who was involved and that the interministerial committee would then meet, build some recommendations from them and frame the discussion paper that will be necessary for the full consultation. The discussion paper is expected to be completed in the latter half of June, with a consultation following that, and following the consultation, recommendations to come forward within the ministry.

**Mr Cleary:** How long will the consultation take?

**Mr Roozen:** The consultation is expected to be relatively brief over a one-month to six-week period.

**Mr Noble Villeneuve (S-D-G & East Grenville):** Seaway Valley farmers have to know by the end of July. Will you be able to give them guidance prior to that?

**Mr Roozen:** We will be able to answer as many questions as they can put to us, yes. We will be meeting with them in the very near future to discuss the specific details of their request to see exactly what it is that we can do to

facilitate their project. They have to this point not done that identification of their specific requests of the ministries. They have only indicated that there may be a role for government to play in that project.

**Mr Villeneuve:** I had occasion to meet with the head of the non-utility generation with Hydro back in November, December, and at that point in time Hydro had not even considered the installation of ethanol production units in cogeneration plants. You've talked about the cogeneration surplus steam. How many cogeneration projects will be producing ethanol?

**Mr Roozen:** I can't speak for the entire list the Ontario Hydro facility has seen, but in our discussions with the cogeneration people at Ontario Hydro very recently, two weeks ago, there was an indication that they have a number of proposals. They didn't quantify how many there were, but they were prepared to give them renewed attention, given the fact that there was a desire to identify appropriate policies in support of ethanol.

I can't tell you definitively what will come of that process, but they have agreed to participate in our committee now, which they had not previously been involved with, and they are very interested in becoming more aware of the benefits that flow beyond the otherwise identified benefits to Hydro itself. They want to take a broader range of issues into consideration in making their decisions.

**Mr Villeneuve:** I'd like to specify one particular cogeneration plant, the one anticipated for Kraft foods at Ingleside. I don't know if you were involved with that one, but they've cut that by two thirds. They've gone from 150 megawatts to 50, and I understand there are some tentative agreements there at 50. There is a difference of opinion from those who will be generating the hydro and those within the Ministry of Energy, within Hydro, who say there is another plant for a medium-sized ethanol production unit. The cogenerators say there is not.

I'm not expert at this, but when I met with Hydro, I was rather dumfounded that cogeneration was not even considering at that point in time the production of ethanol, and it would be a natural, a rather cheap source of steam, and in most instances a surplus of steam to the secondary source of energy, which is the steam.

I think it's a natural. It's great to be studying biomass; it's great to be studying willows and all the rest of it. The Americans put 1.5 million bushels of corn into ethanol every day. I have not seen them go to biomass. They may yet go to biomass. But it's a natural. There's a 28% protein distiller's grain byproduct. We import protein for livestock feed here in Ontario. It's a natural for Ontario.

I would hope that the research which incorporates biomass and wood chips and all the rest of it would not be holding back the use of corn in the production of ethanol, because, as you mentioned, tomorrow—and I will be in Chatham—some 20 or 21 retail service stations will be introduced as octane-enhanced-with-ethanol.

A lot of that ethanol will be coming from somewhere else but Ontario and somewhere else but Canada at this present time. I think the expansion of that industry is limited to the accessibility of ethanol here. We have a situation

where we have to move and we have to move quickly to create a new market for grain, to create some economic developments in rural Ontario in the production of ethanol.

I think your ministry has to be actively involved with the cogeneration projects to encourage that in more ways than just saying it's a good idea, because the petroleum industry is there using carcinogenic octane enhancers, known cancer-causing ingredients that have been banned in the States; and yes, for its own very selfish reasons, the industry is going to resist.

1600

We have to put that in perspective. It's not only new markets for grain and new economic development for Ontario; it's also a very positive reduction in pollution and the greenhouse effect. The air pollution that we have over some of our cities in the summertime we could reduce by a third if the gas being burned in our cars was enhanced with ethanol.

I don't see it as a dilemma at all. There are no negatives to it; it's all positive, except for the petroleum industry. Surely this government cannot be, as was mentioned in question period, in the hip pockets of the petroleum industry, I hope.

**Mr Pat Hayes (Essex-Kent):** Be assured of that.

**Mr Villeneuve:** I'm not sure after question period today.

**Mr Roozen:** I take it as a very positive sign that Hydro has agreed to participate in the committee and is expressing a stronger willingness to be aware of the issues related to the other benefits from that cogeneration, specifically, ethanol. They obviously caution us that they have cogeneration facilities on their request list that go far beyond ethanol, but they are at least expressing a willingness to look at the ethanol-related ones because there are other issues involved than just cogeneration.

**Mr Villeneuve:** Anyway, I'm sure pleased I brought it to their attention at the end of 1991 when indeed it was not part of the Hydro scenario at all.

**Mr Gilles Bisson (Cochrane South):** Just a very quick question on the whole question of methanol cogeneration. I don't know of any cogeneration plants now in Ontario running under methanol. There aren't any. But you did say that Ontario Hydro is working with the Ministry of Agriculture and Food and looking at that. Where are they with that right now? How far ahead is that?

**Mr Roozen:** On methanol?

**Mr Bisson:** Yes.

**Mr Villeneuve:** Is it methanol or ethanol?

**Mr Bisson:** Methanol, I thought you had said.

**Mr Roozen:** No, no, ethanol, not methanol.

**Mr Bisson:** Ethanol?

**Mr Roozen:** We're not working on methanol.

**Mr Bisson:** Then on ethanol.

**Mr Roozen:** On ethanol? That the Ministry of Energy is working with us on—I'm sorry, I seem to have lost my train of thought.

**Mr Bisson:** I understood you to say in your presentation that the Ministry of Agriculture and Food was working with the Ministry of Energy through Ontario Hydro to look at the possibility of setting up a cogeneration plant for ethanol.

**Mr Roozen:** No. What I said was that the Ministry of Energy and the Ministry of Agriculture and Food were working together with Ontario Hydro so that there was a greater recognition of the benefits of cogeneration, and so that when they make their decisions, they will make them on a basis that goes beyond just the cogeneration issues in and of themselves, that there will be a recognition that there are benefits from the ethanol that should be considered when making that decision.

**Mr Bisson:** But no decision has been made to actually even contemplate the establishment of a cogeneration plant anywhere.

**Mr Roozen:** There are a number of requests on their list for consideration. They have not decided on any of them. They have not said yes to any of them; I guess that is the way to put it.

**Mr Bisson:** The reason I ask is because, as you know, the demand-supply plan of Ontario Hydro at this point is showing no need for the amount of generation that it thought it was going to be in. Are you aware of any kind of a special policy or anything dealing with that whole question of ethanol plants, cogeneration plants?

**Mr Roozen:** No, only a recent willingness to be aware of the issue and that the issue goes beyond the cogeneration issue in and of itself. But I take that willingness as a positive step.

**Mr Bisson:** So they're looking at the technicalities. Is it worth it, is it feasible, is it economical—all those questions.

**Mr Roozen:** And are there alternative benefits, external benefits that don't relate directly to cogeneration?

**Mr Cleary:** Just one thing I'd like to correct on the record. The new technology from Queen's University is available only until July 1 to the Seaway Valley Farmers Energy Cooperative. So I guess they have to know where they're going too.

**Mr Roozen:** That's correct.

**The Acting Chair:** Thank you very much. Mr Minister, we had some other questions. Can you tell us?

**Hon Mr Buchanan:** Okay, if I could just tie up one comment on ethanol. I've been supportive as a minister of moving on this issue. We're moving it along and going through a process that is considerate and makes sure that we're moving in a direction that is economical and feasible for agriculture, as well as the energy side, and trying to keep the thing moving as quickly as we can. I know that both oppositions, as well as my own party, are concerned that we move this thing along as best we can. So we continue to be supportive. I know that both Mr Cleary and Mr Villeneuve have raised many questions and are concerned that we keep this moving. We will do as much as we can, but we have to move in an orderly fashion, which is what Mr Roozen has been saying.

You'd like me to move on to—



**The Acting Chair:** Yes, we have time.

**Hon Mr Buchanan:** Okay, I have a very large package of questions. I'll try and move through them as quickly as I can and highlight some things you want additional information on or you want to ask a supplementary on. Perhaps then we can get staff involved in this.

Dealing with Mr Cleary's package: first of all, a question about the forecast change in farm income for Ontario farmers for this year. We have some projections that the net cash income is forecast to increase by 24% over 1991. This is a direct result of an 8.5% increase anticipated from farm cash receipts, coupled with an expected increase of 3.1% in farm operating expenses.

The other point I would highlight is that gross payments enhancing receipts are forecast at \$650 million for Ontario producers, compared to \$300 million in 1991 and \$191 million in 1990. Generally speaking, the projections are for increase in gross farm income for 1992. I should note that Statistics Canada is going to come out with new projections on May 28, which is probably tomorrow. We have some material we can hand out here.

There was a question on farm bankruptcies. In 1991 there were 15 farm bankruptcies in Ontario; in 1990, 32. Even though 1991 was a very tough year, I think primarily government, both provincial and federal, and safety net programs helped to keep bankruptcies down. In 1989 there were 18, back in 1988 there were 35 and in 1987 there were 52. In 1991 there were actually 15. I note that's not the general trend in Canada. In Canada, the trend in 1987 was 354 and went up to 441 in 1991. So actually the number of farm bankruptcies is on the increase, although it decreased in Ontario last year, almost cut in half.

There's a question about accumulated farm debt. The figure for 1991 is a preliminary estimate, \$4.85 billion, which would be down slightly from 1990 at \$5.03 billion. In 1989 it was \$4.81 billion. So the preliminary estimate would suggest that the accumulated farm debt is down slightly from what it was in 1991. But again I stress that was a projection.

There was a question about off-farm income. The average off-farm income has been on the increase. Some of that would be reflected in wage increases, but it's certainly reasonable to expect that more people are working and getting more of their income off-farm. In 1990, the last figures we have, average off-farm income was \$29,595; in 1989, \$29,160. If you go back to 1985, there tends to be a \$400- or \$500-increase each year in the \$29,000-plus range.

A question on land value changes over the past few years: Again, it's gone up. The last figures we have are for 1990 at \$1,823 per acre. It's up from 1989 at \$1,688; 1988 was \$1,372. Again there's a gradual increase.

In terms of farm income trends in Ontario compared to Canada, if we go back to 1990—and I'll just deal with total net income—in Ontario, total net income was down 21.9%. In Canada it was down 7.1%. In 1991 total net income per cent change was up 11% but it was down 23.6% in the country, I would suggest primarily because of grain prices in the west. The total net income projections

as of May 7 were for an 11.6% increase in total net income in Ontario and a 23% increase in Canada.

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There was also a question on the ministry's move to Guelph; an update. The lab services centre continues on schedule. It should be completed in mid-1992 and we are expecting occupancy somewhere in the fall of 1992. The office complex architectural design should be completed some time in 1992 and we are expecting a joint proposal with the Ministry of Government Services going to management treasury board and being able to proceed with construction. We're expecting that to be completed and the move completed by the fall of 1995.

There was a question from Mr Cleary regarding the Agenda for People, about the \$100 million in credit assistance. What we've been doing in terms of our financial assistance program is trying to use the money we have as wisely as possible to leverage money from the financial institutions. In fact, we're expecting in the programs we've announced that we're going to have significantly more than \$100 million available to the farming community at rates that are going to be very reasonable, down near the prime or perhaps less. Those programs will be coming forward, so I'm going to be very pleased with what the results will be of our farm investment strategy. I think it will more than meet what we talked about in the Agenda for People.

There was a question about the emergency assistance package, which is known as the \$35.5-million program, a question about the detail and the components that were underspent. I think it would be better to table it; there are some details here on that. There was some money that was not included and it was taken up at the end of the year when the Treasurer does his annual scoop to make sure that any money left around is taken back in.

Again from Mr Cleary, there was a question on the rural development initiatives. We are working with other ministries and we've been talking about things we can do in cooperation with the Ministry of Municipal Affairs and other ministries. As I mentioned yesterday in my statement, we have community leadership programs: The Ten Steps to Community Action, which is being very well received in rural Ontario; we have four community planning pilot projects and local advisory committees out there in the communities that are looking at how we can work towards revitalizing rural communities, and we are very much involved in Rural Routes '92, which is going to be in Woodstock in June. It's a showcase for resource planning, a two-day forum, which will allow all stakeholders to discuss resource use and integrated community planning. Community development is one of the five themes that will be explored there. As I said, we continue to work with other ministries to get on with rural economic renewal.

The question about how agricultural land use policies fit into the Sewell commission, the planning acts and the process the provincial government is going to pursue: What we are doing is undertaking a review of agricultural land use. The discussion paper that is now being circulated in public meetings was developed cooperatively with various groups and stakeholders. We're doing this consultation



across the province. The deadline—and we are willing to take submissions not only at the consultations but written responses—is July 31. There are 16 planned public meetings at the moment. We are going to analyse the ideas and comments we get from this public consultation and the written submissions and see what the best way to pursue agricultural land preservation is.

The recommendations that come out of that should go to the Sewell commission, because it's looking at the planning process; we're looking at how we preserve agricultural land. We intend to make those recommendations available to the Sewell commission and it's our intention we will move in some fashion next year on how we can preserve agricultural land with something that has some teeth and allows farmers to be secure in terms of preserving farm land and at the same time allows for development in those areas where development is important.

Here's a good question: How much did the ministry spend in fighting the Ottawa Senators? I know everybody's dying to hear the answer to this one. Is the minister happy with OMB's final position? Will the minister be taking a position on this proposal at cabinet? I think I'll read this.

"The total cost of the hearing was \$981,180.68, which included the consultant, the legal fees and their travel expenses, OMAF staff salaries and their travel expenses. Originally the hearing was scheduled to last six weeks but it was extended to 10 weeks; thus the increased cost.

"The OMB supported most of OMAF's evidence, and although the arena was approved, there were safeguards put in place to protect the area surrounding the arena for agriculture. The size of the arena was reduced and one of the office towers was deleted from the plan. Overall, this case indicated the commitment of this government to protecting farm land and to good planning principles.

"The matter will not come before cabinet. The Planning Act makes provision for the decision of the OMB to come before cabinet only if the matter is declared a matter of provincial interest 30 days prior to the hearing. This was not done. The OMB was the final decision," and I had said that as we went into it.

A few comments, if I might, on that issue. That was one of the determining factors that suggested to me that we needed to put something in place in terms of preserving agricultural land that was clear so we didn't get into these kind of hearings at OMB when the rules were not clear. We're dealing with guidelines. We were trying to preserve farm land, but the only way we could do it was through the OMB. In recognizing that this was very expensive, I was looking as a minister at: What can we do to prevent this from happening somewhere else and over and over again? That's one of the reasons for our land use consultations. That's enough reason to do it right there.

Conservation easements in the Niagara region, a question on the status of the review of the implementation: There's a series of questions that go with that. I have made a commitment that we will study the conservation easements to see what the opportunities and the implications for such a program in Ontario are; that's part of the land use consultations we're doing. There's a subcommittee that's been set

up to see how it would work, because there's a lot of interest in the Niagara region. We are going into this with an open mind, seeing it as a possibility, but we have to look at the funding of such a proposal as well and make some decisions about whether it would be Niagara-specific or whether it would be provincial in nature.

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There was a question about the London boundary reforms. I was asked to indicate whether or not I support the recommendations, particularly the issue of the creation of agricultural buffer zones, and was I aware of the concern by the farm groups, including the Ontario Federation of Agriculture and the farm women's network.

The Minister of Municipal Affairs, Mr Cooke, has released the report. I'm aware of the report and I've certainly had some presentations made to me of concerns about the preservation of agricultural land. Traditionally OMAF does not get involved in this type of exercise until they are looking at changing the zoning and then we get to comment under the Food Land Guidelines; that's traditionally when staff and OMAF get involved. That's the way it usually works.

We are in the process, as I've said earlier, of doing a study about how we preserve agricultural land. I certainly would expect that whatever we come up with for a way of preserving agricultural land would be used in this London area.

The second part of that is that the minister has not yet tabled legislation as to what it will look like. I believe he's doing some further consultation, and we will get a chance to work on that privately.

There is a question about our participation in the net income stabilization account for the 1990 tax year; we didn't have the numbers. I've got the numbers here. By not participating in NISA, producers would have the benefit from the federal programs. If the province had participated financially, an additional 0.5% of net sales, or \$6 million, would have been received by Ontario farmers from the federal government and it would have cost us an additional \$10 million. So we total up and there'd be roughly \$16 million that the farmers would have gotten if we had put in our \$10 million. They would have gotten half of whatever it was we had put in.

There is a question about the gross revenue insurance plan and NISA for this year. The 1991-92 payouts for GRIP are expected to total \$230 million. Grain and oilseeds and horticulture producers will be receiving \$80 million in NISA through the federal assistance and emergency assistance package.

There is a question about why there were delays in land stewardship payments. I think I'll just table that because it's quite lengthy.

The Ontario pork industry improvement program: There is a question about it not being renewed. That program was terminated in March 1990, so it wasn't something that we were going to be involved with. It had already been done in before I came to office.

There is a question on seasonal housing. This is a shared-cost program with the federal government. It has been in a decline over the last number of years and it's also

been money that's been set aside that has not been totally used. In 1990-91, 7% of the budget was not used, and in 1991-92, 13% of the budget was not used. A decision on whether to continue the program is going to be based on consultation with the Ontario Fruit and Vegetable Growers' Association to see if it thinks it's still something it wants or if it would prefer to look at another program. So that is being reviewed.

There was a question on the statistical analysis of our Foodland support programs, and we were asked whether we were tracking to see if it had any impact or not.

My voice needs a rest. Maybe Grahame Richards can tell us about promoting—

**The Acting Chair:** If you can just make sure you put your name into the record to start off, please.

**Mr Grahame Richards:** Yes. Grahame Richards, assistant deputy minister, food industry division.

The question, as I understand it, was does the ministry have any statistical analysis on the success of its advertising campaign in convincing consumers to financially support Ontario farmers? The ministry conducts an annual advertising tracking study on two occasions, in November and March. The objective of this research is to survey Ontario consumer awareness of the program and its communication activities, including the symbol recognition, media advertising, in-store merchandising and consumer promotions, as well as their attitudes and preferences towards Ontario-grown produce. This type of research has been ongoing since the inception of the program and is conducted at the same time each year.

The research involves in-home interviews with a random sample of principal grocery shoppers across Ontario. Some of the results from the annual tracking study are: 84% of the consumers recognize the Foodland symbol; nine in 10 Ontario shoppers associate the symbol to some degree with the promotion and/or identification of Ontario foods; 83% of shoppers believe it's a worthwhile government program, and this number rises with the people who have seen the advertising recently.

The new campaign I think you're referring to is perceived as credible among consumers. The degree of credibility has increased from a mean rating of 8 on a 10-point scale in 1990 to 8.5 in 1991. This is especially evident in the following dimensions, which represent the core of the program's communications objectives: Buying Ontario produce helps preserve our food supply for the future, buying Ontario produce helps preserve Ontario's agriculture and our produce reaches the store in better condition than imports.

The proportion of shoppers who now say, "As a general rule I try to buy Ontario-grown products as much as possible in preference to those from outside Ontario," has increased significantly over the past year from 39% to 49%. A similar gain is evident in the proportion who indicate they will try to buy Ontario-grown products in the future.

**The Acting Chair:** I think now we could turn to some new questions, and we will go to Mr Cleary.

**Mr Cleary:** I don't know whether I have any at the moment. Maybe I could jump in later.

**Mr Villeneuve:** Mr Roozen is still here. It goes back to ethanol, Mr Minister. Do you have a discussion paper on the uses of ethanol and the size of plants? I know your ministry was scheduled to have something available last fall, but it wasn't available. Is it now complete, and is it available?

**Hon Mr Buchanan:** I'll ask Len to answer that.

**Mr Roozen:** The discussion paper we had hoped to do last fall has not been completed, no. That's the discussion paper I referred to earlier on. We'll have that paper written next month and in consultation in July. But what is available is the study that was funded jointly by the two ministries, Energy and Environment, which was done by Chemcorp Ltd on the economic efficiency of various sizes of plants.

**Mr Villeneuve:** Is that discussion paper available to critics and to the public?

**Mr Roozen:** Yes, we can provide you with copies. It is actually under the ownership of the Canadian Renewable Fuels Association, but we can provide you with copies ourselves.

**Mr Villeneuve:** On the bankruptcies, Mr Minister, maybe those figures should be put in proper perspective, that we have many people who were farmers and are now effectively bankrupt but haven't filed. I think we would be misleading to some degree if we said those are the only bankruptcies we've had, based on the figures you have just given us. Could you expand on those figures a bit?

**Hon Mr Buchanan:** If you're suggesting that other farmers are in difficulty and you can't measure the level of economic difficulty strictly by the numbers, I would agree. However, if you look at the total year-over-year increase in net income, there was an increase last year. But I know the farmers are still in difficulty, and there are some who have sold out. Perhaps, as Bob Seguin is here, he could talk a little more about bankruptcies than I could in terms of numbers.

**Mr Bob Seguin:** In answer to Mr Villeneuve's question, quite right, farmers historically have not been the first to apply for bankruptcy or the other avenues of leaving the business when they are in financial concern. The Department of Agriculture does provide a series of statistics, which we can provide to all members of the committee, about a number of ways of identifying financial difficulty for farmers: non-performing loans, farm borrowers in arrears, farm land held by major lenders. That information is available, and I can have it made available to all members of the committee, if that's the decision of the committee.

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**Mr Villeneuve:** I can appreciate that. It's just that if we look at the figures on the surface and not in more depth than that, the figures really don't give the entire story. For example, with regard to the net farm income summary in Ontario and Canada, Ontario's had an 11% increase in farm income whereas there has been a 23.6% reduction in Canadian income. Does that include both on- and off-farm income?



**Mr Seguin:** It does not include off-farm income but does include government payments. The programs the minister indicated yesterday and today, GRIP, NISA, crop insurance payments, the farm tax rebate, all form part of the total package that goes to farmers, one of the reasons net farm income is up in 1992, as estimated.

**Mr Villeneuve:** While Mr Seguin is still here, I'll go back to the support—I believe the Bank of Montreal was the accepted bank.

**Mr Seguin:** Yes.

**Mr Villeneuve:** How many banks were interested in doing that business for the Ministry of Agriculture and Food? How many actually submitted?

**Mr Seguin:** Ten 10 banks participated in the discussion and consultation process with us and the commodity corporation. Three banks submitted formal bids, going to the effort of actually bidding, figuring out the rates they would charge, all the other terms and conditions. Several indicated that they would have, but the amount of money the corporation was initially looking for, between a \$50-million and \$100-million loan, was a little too excessive given that this was a whole new program area. A number indicated that they would be willing to be part of a syndicate of banks taking a share of that pool and a couple of more indicated that they would like to see the program up and running for a couple of years. One or two banks thought that if there were a 100% guarantee they'd be there with no problems, but those were not the terms of our conditions.

**Mr Villeneuve:** That's interesting. Because it's involved with agriculture, which has traditionally been a pretty solid industry but we have noticed a number of failures, do you feel that would have a bearing? As opposed to strictly a business approach, would the fact that it was agriculture specifically have turned off some banking institutions?

**Mr Seguin:** No. All the institutions, both banks and trust companies and the credit unions and caisses populaires, indicated that because it was agriculture they were interested. But how much flexibility they would have given the size of financial liability we were asking from them made it more of a business decision for them. They had to relook at the hard numbers, and because it was a new program, only a few were risk-taking enough to take the extra steps.

The Bank of Montreal had worked with members of the commodity corporation in other avenues—the corn producers, the soybean board—and with Agriculture Canada on a program under the Advance Payments for Crops Act, which is something similar to what the commodity loan program is. They felt most comfortable with the concept and were the most aggressive in pursuing it and the most aggressive in the bid.

**Mr Villeneuve:** Again pursuing the commodity support program, when do you feel that the applications at the farm level will be available and when indeed will we have the system up and going with money to lend to the producers, which is the whole aim of the exercise?

**Mr Seguin:** I agree it's the aim of the exercise, and it's our intent to have it as soon as possible. However, there are still a few details to be ironed out between ourselves, the bank and the commodity corporation. They're no longer substantive problems, they're just things we have to work out to reassure everybody that we all understand what's at stake; if something goes wrong, the steps and processes. It's just a matter of clarifying these details.

I should point out that the commodity loan program can operate if a farmer has gone to a supplier and gotten prime plus 3% or 4% for a short-term operating loan. He can come to the commodity corporation, and as long as the supplier gets paid off and will waive all security against the crop, which he or she should if he or she has been paid off, the commodity corporation will make that financing. So there's going to be opportunity to pick up those farmers who have already made financing arrangements at high rates. Those farmers who were very fortunate and had very good rates might not find the commodity corporation that attractive.

**Mr Villeneuve:** That's right, and certainly 1992 is not going to be very beneficial under the commodity corporation because, in my experience, if I pay my supplier cash or within 10 days I will get a discount. If I don't pay within 30 days, it's a 2% or 2.5%-per-month charge, which is very expensive. At this stage of the game, with the cropping input having now been spent, in many instances for almost 30 days, the benefit for 1992 I believe is pretty negative.

**Mr Seguin:** The leaders of the commodity corporation and the members trying to help drive it from the farm side still see a number of benefits. They recognize that they would've preferred to have it up and running a little sooner than it is now, but they also see as they work through it a number of problem areas they would have hit if they had rushed through the process. They also know that as they work through this year they get that extra start time for next year. As you know, with the interest rates this year, there isn't as much pressure on a number of farmers as there would have been a couple of years ago, but this program is also there for the longer term, to be there in the years when credit is far more restrictive and the price of credit is much higher than it is this year.

**Mr Villeneuve:** Mr Chair, can I pursue the financial arrangements or is someone else waiting?

**The Acting Chair:** Mr O'Connor is, but I think his is new, so you can keep going on this one for a couple more minutes.

**Mr Villeneuve:** Mr Minister, when you made the commodity loans announcement, a vehicle to leave capital in agriculture—capital that was already in agriculture and to leave capital in agriculture—do you have any more information on this? Can Mr Seguin tell us what you're planning on doing in the long-term loan type of deal in agriculture? I saw an issue where you are attempting to retain capital in agriculture; in other words, from a retiring farmer to a new farmer.

**Hon Mr Buchanan:** I understand the question now, and I think Bob can probably answer it.



**Mr Villeneuve:** While we've got him on the hot seat; I hate to lose him.

**Mr Seguin:** We have actually two major programs we are considering. One is on private mortgage guarantees, which will allow a retiring farmer or person with interest in agriculture to loan money to a beginning farmer, but with some guarantee behind it that that stake is not completely at risk with the new farmer.

As the minister indicated earlier, by using your moneys in a different way to help leverage that financing, most of the transactions will be solid but will help cover the few that will go under; it will also try to improve the terms between the borrower and lender at the private level, improve that flow.

The other one we're thinking of which is a little more innovative, at least as we see it, is the rural loans pool: opportunities to pool capital that already exists in rural Ontario. We have done a study—and it will be available publicly when we finally get all the typos cleared up; it was done for us by Ernst and Young—on just how much capital is available in rural Ontario. There is over \$60 billion in financial assets available in rural Ontario, the best estimate.

Even a small portion of that, if we could somehow leverage some of that into lending back, farmers and farm communities lending back to themselves, with some protection from the government on guarantees and protection in case of default, that will give farmers an added source of credit for long-term lending. What we have to do is compete against GICs and other instruments out there, but something can be done on that. We have to make it very attractive.

**Mr Villeneuve:** You have to realize that you are also competing with the Farm Credit Corp, a federal crown agency which has had that in place now for some 15 years, on a bond-type issue with guarantees by the federal government beyond the normal \$60,000, which is the investment protection you have under a normal investment program. Would your system be somewhat similar to that or in competition to that?

**Mr Seguin:** It would be different. There would be some competition. But one of the concerns we've had, and it was raised in Mr Hayes's report in the agricultural finance review committee, was the concern that the Farm Credit Corp was no longer being seen as the prime long-term lender in rural Canada. Indeed, it's only recently that the Farm Credit Corp has gone back to the capital markets to get moneys back in to reloan for future loans. As you know, the Farm Credit Corp has had several difficult years as it was restructured.

This is another avenue for farmers to source long-term credit. As such, it gives farmers an extra competitive advantage. They're saying: "Here's a pooling source we can get from our own communities. We can try FCC, we can try our bank, we can try private lenders or our own equity." It improves the opportunities for farmers to source capital at a more reasonable rate.

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**Mr Villeneuve:** Supported by the Ministry of Ag and Food and administered by OMAF, or administered by someone else? Have you worked out those details?

**Mr Seguin:** We're working on the details, but the thought was it would be something similar to the Agricultural Commodity Corp, the commodity loan program, to try to encourage smaller groups to undertake the responsibility for administering within certain guidelines. But that's what we're trying to work out: how feasible that is and what the guidelines would be to ensure proper control of public moneys.

**Mr Larry O'Connor (Purham-York):** One thing we do when we get into the committee, sometimes you don't know whether you want to interrupt the line of questioning because when you're a member from a rural riding and we share a lot of the same interests, you wonder whether your questions are pertinent.

I noticed, looking at the information you gave us, the declining numbers of bankruptcies. I don't know whether that's as a result of the declining number of farmers; it certainly makes me wonder. I was just wondering if there's something that's happening within the ministry that would ensure the farmers, whether they're chicken producers or turkey producers or other forms of livestock, getting a fair price at market.

One thing I've always encouraged my local farmers to do, because we have a lot of fall fairs and what not, is to put out displays and show the consumers who come up to our fall fairs exactly what they're getting as farmers for the product. I was just wondering if there's anything the ministry is doing to make sure there's a little bit of fairness put in that as well.

**Hon Mr Buchanan:** I think you've identified the number one issue for all agriculture, whether it has to do with preserving agricultural land or whether it's taxes or the environment or whatever it happens to be: If farmers got a fair price or a reasonable price for their product, all these other problems would disappear.

It's a difficult issue because it would mean in order to do that the government would have to intervene in the marketplace and set some prices. The supply management system we have in place, which controls the amount of imports we have in dairy and chicken, turkey and eggs, works reasonably well. We've talked about that before.

In some of the other commodities, though, farmers are suffering from low farm-gate prices, and we recognize that as the number one problem. But, as I said, it's difficult to respond to. However, we've set up an internal group which is looking at prices that are received for different commodities and trying to get a grasp on income the farmers are getting from different commodities based on the size of the operation.

We are starting to address that situation by talking to suppliers and processors etc, to come up with better information and better data on how we respond and what governments can do to assist in fair prices for farm-gate products.

**Mr O'Connor:** In looking through this, we see the average off-farm income has been changing and it's been going up quite dramatically. Obviously, the farmers are having difficulty just earning an income on the farm alone. I was just wondering if the ministry has been looking at trying to establish some way it can increase the competitiveness of the food processing sector.

**Mr Villeneuve:** Unionize them.

**Mr O'Connor:** Yes. When I go grocery shopping, I walk down the aisles and I take a look at the canning sector, for example, and it's harder and harder to find things on the shelf that are grown and processed in Ontario. I wonder if the ministry's been looking at trying to improve the competitiveness in that area.

**Hon Mr Buchanan:** Yes, that is one of the links in the food chain. I've spoken a lot about the need to work cooperatively with everyone in the food chain, from the farmers through to the consumers.

Certainly the food processing sector is one area we in the ministry are trying to respond to and trying to look at its competitiveness. Rather than simply telling the farmers they have to produce at a cheaper price, we are looking at and working with the food processing sector. We've got a market development branch. We've worked with over 300 different companies in terms of helping them with market development. We've sponsored seminars in this province and worked with companies in going to other countries to try to develop export markets. We have a research fund, which is going to have about \$5 million over the next five years, to assist the food processing industry to be competitive by having the latest technology and the latest research that's available to get new products into the marketplace.

It's an important link in the food chain, and if we don't work with them, we lose the food processing side because of imports that are cheaper. If we can't compete, then the farmers ultimately suffer as well, so we are trying to respond in a balanced way to the food processing industry.

**Mr O'Connor:** What is the role of your food processing advisory council?

Is it an educational food processing advisory council?

**Hon Mr Buchanan:** Yes. It's represented from the whole sector, labour and federal and provincial ministries, and it's working in education and training, working with colleges and universities as to what kinds of programs and what kinds of training are necessary to assist the industry.

**Mr Ron Eddy (Brant-Haldimand):** The minister mentioned rural development initiatives and I believe announced that there were four community planning pilot projects. Could I ask where they are, and is there the opportunity for any additional ones?

**Hon Mr Buchanan:** Sure. This is Ken Knox, the ADM. I can tell you there's one in Huron county. I know that and I'll let Ken tell you about the others.

**Mr Ken Knox:** I missed the second part of the question; I'm sorry.

**Mr Eddy:** I wondered if there was the opportunity for any additional. I know at least one municipality that's very

anxious to become one and I didn't know whether there was that opportunity.

**Mr Knox:** There are four pilot projects and they were set up with a non-stat grant from the ministry of \$25,000 each to help the community organize and develop what its strategy would be as a community. We selected four from various regions of the province. There is one in Huron, there's one in Perth county, there's one in Lanark and there's one on St Joseph Island, near the Sault.

At this point we have an evaluation program that's going on and we would like to see it completed before we take on any new projects. In other words, there are four pilots; evaluate them and then determine if this is something we ought to broaden out and make available to communities right across the province.

Our feeling is that the concept is right and that the communities have done a good job strategically of coming together and determining what their needs are. The one in Perth county, as an example, was started by a community which was a one-industry town and that industry folded. They started within that community of Milverton to decide what they as a community should do, realized that it was broader than that, because they as a rural community depended a lot on the interaction with agriculture, so they included the township around them to determine what the strategy should be for diversification and growth, and our ministry staff have worked closely with them. That's one example of the four that are going on.

I suspect it will be a successful evaluation and then they would be available.

**Mr Eddy:** May I ask if the one in Huron county includes the entire county?

**Mr Knox:** No. Actually there are four different rural community development projects going on in Huron. The one we are involved in is west Huron. I can think in field crop terms where you have a test to compare things with, so we are involved in the one in west Huron. The other three the Huron county council is involved in support for, and now we're comparing the various models within Huron county to determine which of those is preferred and whether or not it's reasonable and preferred to have some government funding as seed money in there. That's part of the evaluation process: to determine whether the \$25,000 from the province is essential or is worthwhile in order to see these kinds of things develop.

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**Hon Mr Buchanan:** There was a part of the question about the possibility of another one. If I could just give a little bit of response: This isn't a committee that's giving out money here today, obviously, but we do look favourably on community groups that come together with proposals. That's basically what we've done at this point. We're not actively encouraging everybody across the country, but we certainly try to look favourably when groups do come together in that way. If you have another committee that's interested and has a proposal, we'd be more than pleased to look at it, knowing of course that money is tight. We're still interested in looking at it, even if it's for future reference, as something we could do to help at a later time.



**Mr Eddy:** There is one that's very anxious.

**Hon Mr Buchanan:** That's something we can definitely talk about.

**Mr Cleary:** On another subject, I guess everyone knows about the problems our students are having this summer in finding employment. Two areas of employment come to mind: the agricultural museum and the junior agricultural program. I guess the minister's been getting off pretty easy up to now. I'd just like to ask him why these reductions are occurring and if the minister feels these are appropriate.

**Hon Mr Buchanan:** Obviously, the more students that are hired the better it is for the students and for the economy. Part of the difficulty in terms of the number of students is the increase in minimum wage, because there's been an allotment of X dollars. I don't think that's necessarily the total reason for the decrease. If I look at the numbers we're hiring, they are down significantly and we'd obviously like to hire more. We're trying to live within a budget and do the best we can. Summer employment for students is vital and we're trying to manage with what dollars we have the best way we can.

**Mr Cleary:** What would the figures be this year compared to last year? Do you have that there?

**Hon Mr Buchanan:** The summer experience program: I've got 1991 at 264 and in 1992 we're looking at 141. The environmental youth corps is 103 in 1991 and 85 in 1992. It says here that the corporate funding utilized in 1991 was \$200,000.

**Mr Cleary:** Which of these would be employed at the Ag? Which program would that be under? Would that be the environment?

**Mr Norris Hoag:** Norris Hoag, executive director of the education and research division of the ministry. Mr Cleary, your question was on which of the programs apply to the students we hire at the agricultural museum, and that is the summer experience program. Although I don't have the exact number of people, the number of dollars from the summer experience program this year is the same as last year. So it's my anticipation that about the same number of people would be hired at the agricultural museum. The overall allocation of funds in the ministry for summer experience is down, because last year we had an opportunity to add corporate funds to that, which was not available this year. That has already been mentioned.

**Mr Cleary:** One thing that wasn't addressed today and was on my list of questions was an update on Ben Berendsen.

**Hon Mr Buchanan:** The Chairman didn't let me get that far. I have answers here. I'm sure you're aware that I have met with Mr Berendsen personally twice and have had a fair bit of communication with him. We have been involved in testing the water as well, and I'm sure you know that we joined with the Ministry of the Environment to participate in paying for water to be trucked in until the end of June. Unfortunately, this case has now gone off to the Ombudsman and it's become somewhat a legal matter.

I don't think I'm at liberty to comment a whole lot more on it at this time.

**Mr Ted Arnott (Wellington):** Just to follow up on that, Minister, as you know, Mr Berendsen resides in Wellington county. We have discussed this at length at various times. If Mr Berendsen were able to bring you new information in terms of lab analysis of the groundwater on his property, would you be willing to meet him again and discuss this matter once more to achieve some sort of final resolution to the problem?

**Hon Mr Buchanan:** Yes, that is my position, and although I shouldn't be speaking for the Ministry of the Environment, I believe it was their position as well. Give us some data which show from tests that there's a cause and effect here from the asphalt that's buried under the barn, I believe it is; then we will continue to discuss the matter and continue to have negotiations and so on. The problem is that at this point in time we don't have any new information, and my involvement sort of came to an end.

**Mr Arnott:** Turning to the issue of the GATT negotiations, I see you touched upon that issue yesterday in your statement. Recently, I guess in the last week, the European Community farm ministers apparently have come to some sort of consensus on reduction of export subsidies, and there appears to be some movement there. I'd like to know what your assessment is of that development and what the government of Ontario's next move is in response to what may be some considerable developments on that issue.

**Hon Mr Buchanan:** I have a couple of points on that issue. One is that the Americans have not really responded, at least yet, to the Europeans' movement. There certainly is time for that. I guess we believe in Ontario that the American negotiators are more concerned about a North American free trade deal at this particular point in time than they are with GATT. They've more or less given up on GATT, and that's perhaps why the Europeans have moved in with some cap reform. The Americans seem to have lost interest.

What are we doing? We continue to support the federal position. We have also been exploring the possibility of making some contact with our counterparts in the US at the state level and perhaps even the federal level to make sure the American people in agriculture understand supply management and our position on article XI, as well as, of course, the export subsidy reductions we've called for. So we continue to support the federal position but we are taking some initiatives to talk to our US counterparts, because I think they are the key to having successful negotiations from our perspective. We are doing both of those things.

**Mr Arnott:** The third question deals with the move of the ministry head office to Guelph. You indicated earlier this afternoon that the time line is to move the head office by fall 1995. How does that compare with the initial time line when the announcement was made to move the head office to Guelph?

**Hon Mr Buchanan:** I'll bet it's a couple of years behind schedule, but I don't know the actual numbers. Do we have an answer? Okay, Rita.

**The Acting Chair:** Nobody volunteers, so Rita gets it.



**Ms Rita Burak:** As I recall, the original announcement was in either the 1986 or the 1987 throne speech. The decision was taken then to proceed with the food quality lab first, to make sure that was up and running to serve the industry, and then to proceed with the office building. So there may at the outset have been some very preliminary dates set—I think the staff perhaps could remind us of that—but in terms of what we anticipated once we started doing the preliminary planning, as the minister says, we're only maybe a couple of years off what might have been expected back then.

1700

**Mr Arnott:** Do you foresee any additional obstacles that might be looming that would throw this timetable off even further?

**Ms Burak:** No, we don't.

**Mr Arnott:** Budget cuts wouldn't impact on it?

**Ms Burak:** No.

**Hon Mr Buchanan:** One of the things in our favour is that in Guelph there's obviously a capital works project—building and construction involves work and labour—and I don't foresee any problems in its being shaved. In fact, it was one of the ones announced by many different ministers, OMAF, MGS and everybody else. In terms of moving operations and decentralizing that have been announced I think it's right at the top of the list, so I don't see it being delayed.

**Mr Arnott:** What class of farm land is going to be used for the construction of that head office?

**Hon Mr Buchanan:** Rita's got a good answer to that question.

**Ms Burak:** It's ministry-owned property which abuts the university. It's not farm land.

**Mr Arnott:** I see. It's not farmed now?

**Ms Burak:** No. In fact, it's right next to our milk quality lab, which has been there for a number of years, so we're not taking land out of production.

**Mr Arnott:** There's no Ontario Food Land Guidelines associated with that.

**Ms Burak:** It's not zoned agriculture, no. It abuts the university and it's not zoned agriculture.

**Hon Mr Buchanan:** It's not wetlands either.

**Mr Arnott:** Okay. The next question I have concerns tile drainage. In the past the provincial government has made available for farmers, through the municipalities, significant funding to assist farmers in tile drainage plans. I'm told that it is quite late this year and that there has not been a decision announced. In the past years, many municipalities in my riding have benefited, and farmers as well, in Arthur township, Maryborough township, Minto township and so on. I ask the minister what his plans are with respect to tile drainage announcements and if he could indicate, if there has been a delay, why there has been a delay and what is forthcoming in the near future.

**Hon Mr Buchanan:** I don't think there has been a delay—perhaps a few days or a week—but if we go with

the same program, the announcement is almost imminent: very soon, hopefully next week.

**Mr Arnott:** Has the decision been made to go with the same program as previously?

**Hon Mr Buchanan:** We haven't modified or changed the program in terms of its structure. As to the actual dollar allocation, if that's your question, I don't have the answer at my fingertips. Richard?

**Mr Richard Kirsh:** Richard Kirsh, manager of financial planning. The budget for the tile drainage program is \$10.8 million, the same as last year.

**Mr Arnott:** Was every dollar allocated?

**Mr Kirsh:** Last year we used \$10.6 million of the \$10.8.

**Mr Arnott:** One more question, and it's on the issue of rural development which you mentioned earlier. In our document *New Directions* our party leader and our caucus have called upon the government to establish industrial development bonds, community development bonds as well, as a concept which would bring capital together for community development. I see this as being something very beneficial to rural Ontario and something certainly within the mandate of the ministry. As you have indicated, the ministry does have a mandate in terms of rural development. Have those specific proposals been given consideration by your ministry, and if so, where are they at and what do you have to say about it?

**Hon Mr Buchanan:** The idea certainly has merit. We talk about rural loan pools; it kind of goes along that direction. When you talk about community development bonds, whether it's a pool or a bond it's going in the same direction. I guess I support the concept in terms of the idea and how it would evolve and that it would provide funds.

One of the things I've been talking about for many months now is the concept of recycling rural dollars. We soon discovered that there is a lot of savings in rural Ontario; Bob Seguin referred to that earlier in terms of the billions of dollars that we know are deposited in rural banking institutions which are subsequently invested in urban centres or offshore centres. We need to find a way of encouraging people who have a few dollars in savings to direct some of that money back into their own community, so we're looking at ways of doing it.

We still have details to work out in terms of the loan pool, obviously, but the concept of a community bond is certainly not something we oppose. How it works would need to be fleshed out. We will be moving towards looking at all kinds of instruments, I hope, as the government in fact looks at how we get involved in rural economic renewal over the year and over the years to come.

**Mr Bisson:** One of the issues that's come up repeatedly from farmers in my community is the whole question of what's happening with the GATT negotiations. I guess a couple of months ago there was a bit of a scare through the farming community, probably all across the country, let alone Ontario. Where are we at right now? I'm a bit unclear as to what the latest developments are with regard to the effect on milk farmers.

**Hon Mr Buchanan:** The large demonstration in Ottawa by 30,000 farmers was I think primarily led by the dairy farmers of Ontario and Canada who were concerned about supply management article XI, which allows us to produce milk and to also produce eggs, chicken and turkey in a market where we have import controls allowed under GATT. Farmers are still very concerned about that; there are things happening right now in the dairy industry in terms of quotas, sales and so on that we don't need to get into here.

The negotiations have been stalled. Most people had written them off and I believe the US government had written them off as well. They seem to be channelling more of their resources into a North American free trade deal at the moment. However, a week ago the Europeans announced some new cuts in their common agricultural policy; they're actually going to cut supports for grain and for beef to European farmers. I believe that, in the Europeans' mind, is going to restart the negotiations, because they basically have been stalled and not going anywhere.

**Mr Bisson:** But if you talk to people within the industry in my area, the whole question seems to be around the marketing boards, what could happen there in the long run. The sense they have is that if people outside Canada had their way, we would do away with the marketing boards, which would really put a kibosh—I'm not very clear on the issue, which is why I'm asking where the hell we're at.

**Hon Mr Buchanan:** It's true there's not a lot of support in other countries for the system we have. We continue to support the federal government and hope it will be firm in its resolve to defend supply management and the marketing board system we have. In terms of the dairy farmers in your area, there's a fear of the unknown. When you're under attack and you're hearing people saying no other countries seem to support our system, then obviously there's a great deal of fear and anxiety. If we could get this resolved in some way, it would be much better for dairy farmers and others who really fear the unknown, because they don't know whether there is going to be a deal. If there is, what's it going to do to them? Are they going to be protected—which is what our position is—or not? So we continue to work with the feds and encourage them to be firm in their resolve and do the best we can.

**Mr Bisson:** As you're aware, there was a move in regard to some of the dairies in northern Ontario, a loose consolidation of dairies, I guess, if you want to put it that way. Again, the question is that we've seen some losses in places like Sudbury and Sault Ste Marie. I know there's some work on the part of the ministry of agriculture. I haven't been informed lately of where things are at, but apparently there was some sort of policy change being looked at, or have I just misunderstood that?

**Hon Mr Buchanan:** I'm looking for a volunteer to tell us about the northern dairy policy. He's shaking his head.

**Mr Bisson:** You're it on The Price Is Right: Come on down.

1710

**Mr George Collin:** I'm George Collin, executive director of laboratories and inspection services. I can't give you very much direct help, Minister, on this, but the issue has been under review, discussion and hearings in front of our director of the dairy inspection branch. Much of the issue depends on, as you say, the closing and consolidation of several dairies. The other issue is the distribution licence system. This is an issue under very intense discussion right now. I can't help you with the details beyond that point.

**Mr Bisson:** In regard to the licensing issue, where is that at? My understanding is that there was supposedly some kind of decision forthcoming from the ministry on how it was going to deal with that. I know in Kapuskasing, for example, there were some fears of the dairy closing over there and the licence reverting to somebody in North Bay, I think it was.

**Mr Collin:** That's right.

**Mr Bisson:** Apparently there were supposed to be some discussions on how that would be dealt with.

**Mr Collin:** Yes, there are discussions under way, but I can't give you any detail on that.

**Hon Mr Buchanan:** There's no major change in policy. What exists in the north now, as you know, is to make sure that the milk that's consumed there is produced there. Distribution costs are higher and have led to a number of people calling for more competition. We are trying to protect the producers as well. If we were to open it up wide, it would be under a lot of pressure to bring other milk in from other areas, which would hurt our producers up there as well.

There's no immediate change. We have licensed one or two new distributors in the north. The Kapuskasing situation is almost a special case. We have also explored the possibility of allowing other distributors to bring milk into Kapuskasing, which would presumably lower the cost of milk, but it's a delicate issue. We're trying to work it through to make sure that if one grocery chain is taking milk in, then it will give milk to its other people who are selling milk in that area and not just the milk distributor. It's an issue that we're aware of and trying to work through.

**Mr O'Connor:** Maybe to raise some eyebrows here in the room, in meeting with local farmers in my riding and two federations that come to see me as representatives on occasion—I do sit down and talk with them fairly regularly—one area of concern they raised with me, and I think it's probably as a result of some of the hype they read in the newspapers, is about the proposed changes to the Labour Relations Act. I was just wondering if you have done any studies on how this could affect the farmers. Has the federation been involved in some of the discussions? It was a little controversial, and I saw some eyebrows go up, but I think it's still something that we as rural members have been asked on occasion.

**Hon Mr Buchanan:** I'd like to thank my friend Larry for the question. A task force that has been put together is



going to make recommendations to the Ministry of Labour as to how the amendments would affect agriculture and how they might be incorporated. There is a lot of concern in the agricultural community. As I referred to earlier in terms of the GATT negotiations, I think part of it is a fear of the unknown. They've heard a lot of things from different people who have varying ideas about labour legislation. However, I think that in those cases the family farm, a normal-sized operation, has nothing to fear at all. They probably will not be impacted in any way.

The minister has discussed lifting the exemption for agriculture. I believe that is probably going to come into existence, although I'm waiting to see what the task force that's currently looking at this matter will bring forward. There's no question there's going to be some impact. We are aware, though, that if agriculture's included, we'll have to look at a dispute settlement mechanism other than simply a stoppage in work. If we're dealing with perishable food or we're dealing with livestock, we have to look at the humaneness of looking after chickens or animals and so on. You can't just withdraw your labour, so there would have to be some means of settling any disputes other than simply a withdrawal of labour.

I think that's being addressed by the task force, hopefully, and I know the Minister of Labour is quite willing to accept that it will be somewhat different than the sort of traditional industrial model that might apply at GM or at an auto plant.

**Mr O'Connor:** Thank you, Mr Minister. I didn't mean to put you on the hot spot.

**Hon Mr Buchanan:** That's okay. I like good questions.

**Mr O'Connor:** I felt the question has been raised in my riding and I thought it appropriate that I ask you.

**Hon Mr Buchanan:** It's all right. I'll still speak to you, Larry.

**The Acting Chair:** Mr Frankford just wanted to see if you had some of the replies to a couple of the questions from yesterday.

**Hon Mr Buchanan:** Yes. I've lost track of my paper here, Mr Chairman, but I think it was here.

One of the questions I think was looking at surplus food products and urban food banks. In fact I was discussing this issue with the Ministry of Community and Social Services today. We need to have some legislation brought in, which is called indemnity, so people who provide food—there's another word for it that I'll think of in a minute.

**Ms Burak:** Good Samaritan.

**Hon Mr Buchanan:** Good Samaritan law, which would allow farmers to basically donate foodstuffs and not fear any kind of liability, if you will, for donating that food. In talking to the minister today, we're looking at how we can move that concept through. Apparently we also need to have some discussions with the federal minister. I'm not sure of the legality or why that is true. But we have met with members of the Toronto food policy council, we've talked to a few people from the co-op side of things, and I think there are some opportunities for us to allow

farmers to contribute some of the surpluses we have and get involved in some of the food banks.

I also think, if I could expand on the concept, that there are some opportunities for our ministry to become more involved in urban areas like Metro Toronto. I'm really concerned that some urban people are so far removed from agriculture that they've lost their roots, if you will, in terms of supporting farmers and they're always looking for the cheapest food supply. If we go back a couple of generations where almost everybody had a grandparent who lived on a farm, we've lost that over the years and I think we need to do more as a ministry to link up and educate urban people about the importance of agriculture.

One of the reasons is to have farmers involved through farmers' markets, and I think that was another one of the questions you've raised. We need to look at other opportunities probably to see how we get farmers' markets perhaps spread around Metro Toronto a little bit more than just in one or two locations. Farmers' markets are working well in some other cities. Why not have more of them in Metro Toronto? So yes, there are some real opportunities here for us as a ministry. Although we're seen as rural, I think we can't lose our market. A sizeable part of that market comes from Metro Toronto.

**Mr Jordan:** This question has probably been covered, but at the constituency offices in my riding I'm getting considerable pressure regarding this Article XI, which I understand you and the federal government are still sticking with, but the word is out to some of these people that in fact you do have an alternative plan. The feds and people like yourself, Mr Minister, are aware of some negotiation or something by which over a five-year period you would phase in something different that would still give a type of protection, but not what we have today. Are they grasping at straws on that?

1720

**Hon Mr Buchanan:** I don't have any alternative plan or any hidden agenda. In fact, I've been asked that by the farm community. I really don't want to contemplate that, because as soon as you start to contemplate your funeral, usually you come to that end. I think we've looked at some of the data in terms of tariffication, which is what the Dunkel proposal was suggesting out of GATT, that we put tariffs on milk—in this case what you're hearing from your constituents in eastern Ontario in the dairy industry—that would flow into this country and then reduce them over time.

There was some work done in terms of how high the tariffs would have to be. That work has been done at the federal level. We looked at some numbers as well, but the numbers for supply management were not tabled, as I understand. I should probably get somebody up here who knows. The government of Canada, as I understand, did not table the tariffication numbers for supply management commodities; it did for some other areas. Is that correct, Bob?

**Mr Jordan:** I understand what you're saying, but what's making it appear more than gossip in the district, if you will, is that some of the larger farmers are in fact



buying up quota and the smaller farmers, out of fear, are of course selling it. So they see something there, that if you're a big enough operation, that's going to leave you viable, regardless of what comes out of article XI. But there's a feeling there that the smaller, the 30-herd, for instance, unit will not be viable. They feel, "Do I go today or do I wait for my funeral?"

**Hon Mr Buchanan:** That's happening across the province.

**Mr Jordan:** It is?

**Hon Mr Buchanan:** Yes. It's not just happening in your area. Again, it comes back to what I said. To repeat myself a little bit, it's fear of the unknown. Dairy farmers are concerned about supply management, article XI, what's going to happen.

What I find interesting is that if we were to go the tariffication route, certainly supply management and marketing boards we know would be very much under attack and threatened. I can't for the life of me figure out why people will at this point pay more money for quota. In fact, the price of quota is going up. You're probably correct that it's being bought up by some of the larger producers. I don't understand the reason for that. It's not because they have any inside information. I think it's not wise to be doing that.

If some of the people are offering their quota up because they're getting out, some people are buying quota and paying more for it because they have a cash flow problem. Quotas have been cut over the last year and they will be cut again this coming summer—3%, 5%, in those kinds of ranges, so those cuts are coming. They want to keep the cash flow up, so they go and borrow more money and buy more quota in order to keep their cash flow up. Again, I'm not sure that's good financial management, but that is happening. I don't know that it's just the big guys who are buying the quota, though. I think some of the other people are buying it up as well.

**Mr Jordan:** Mr Minister, the question they really put to you, and you probably get it in your constituency office, is, "Are you going to advise me to sell now and get out or are you going to advise me to stay on?" "I can't advise you either way" is my reply, which doesn't give them very much satisfaction leaving the office. They feel I should be able to come to Queen's Park and get information to help them make a decision. They're not going to go over a 30-herd operation, but they would like to maintain it for their son 10 years down the road. So that's the picture that's there. I don't have answers.

**Hon Mr Buchanan:** And I don't necessarily either. I don't think we should be advising. As a provincial government and as members of this Legislature, we should be trying to support the federal negotiators to get the best deal to preserve the system. I happen to believe it's one of the best systems. In talking to people from other countries, even the American producers now think our system would be a good one for them because they have huge surpluses, thousands of tons of surplus butter. I think we have to stay the course and support the current system. I don't think it's up to us to recommend that they sell or stay in or whatever.

We're defending a position the best we can because we think that will work.

The business of the size of farms is a debate that's been around for a long time, and people who talk a lot about competitiveness as a focus will say that if you have a larger unit of production you're more competitive because you lower your unit costs. That's true for dairy farms the same as it's true for chocolate companies and anything else—cars, auto plants.

**Mr Jordan:** Ontario Hydro.

**Hon Mr Buchanan:** Ontario Hydro? No, I didn't say that. I don't know anything about Ontario Hydro.

Yes, that is there. People think that, and not just because of GATT. Some people think a larger farm is more efficient, and that probably is true to a certain extent.

**Mr Jordan:** So what is the position, to advise them either way?

**Hon Mr Buchanan:** No, and I think it would be unwise to do that.

**Mr Cleary:** I'm just wondering if we're going to carry on with those questions we presented yesterday.

**Mr O'Connor:** I think there was a good question asked here about the north American free trade agreement as well yesterday that we never did finish up.

**Mr Cleary:** There are quite a few that haven't been answered yet.

**Mr O'Connor:** I've got about 20 of them here.

**Hon Mr Buchanan:** I've got the answers, Mr Chair.

**The Acting Chair:** What I was going to do, since there are some written answers, if there are more, if you'd rather have those answered now, I want to make sure we got as many as we could.

**Mr Cleary:** Very flexible.

**The Acting Chair:** We're very flexible. Mr Villeneuve had a question. I don't know if you'd rather carry on. I'm at the wish of the committee.

**Mr Villeneuve:** We're getting very close to the last half-hour and I still have a number of questions that have been partly answered by the minister. I know he has those questions and may well have some answers. I would certainly like to—

**The Acting Chair:** I guess what we can do too is that any of the questions can be put in written form for the minister to attempt to answer. The minister's got quite a few here. If the minister has them, if there are any specific ones you'd like to hear about now and then get a further answer on, you can do that, if the minister can find the paperwork. Is there a particular one, Mr Cleary?

**Mr Cleary:** He was doing pretty well.

**The Acting Chair:** He was doing pretty well. He had all yours right in the front there. Okay, if you just want to continue, if you can find the ones that Mr Cleary had asked before.

**Hon Mr Buchanan:** With regard to trends in enrolment in colleges and in agricultural programs at the University of Guelph—I guess that was one of Mr Cleary's—numbers in 1991 were actually up. We were hovering around 933 in

1990 and in 1991 we were up to 1,049. The follow-up to that was a concern about declining enrolment and were we going to reverse the trend. I think the trend has been reversed. In terms of the community colleges, I've talked to that sector and its numbers are up. Requests for entrance are up as well. I assume the same thing is true of the agriculture colleges, that enrolment is in fact on the incline. Part of it's due to the economy and to the fact that young people are staying in school more and looking for other programs. There's not a problem with a decline in terms of attendance at the ag colleges.

The details on the anti-recession money that we got, \$7.9 million last year, are in print form. There is a whole page of numbers; in fact, there are two pages of numbers. We'll just simply table that for you, but it was spread around the province, the different colleges and some at the University of Guelph.

There was a question on the anti-recession dollars. Why was it directed at the buildings instead of farmers to make needed capital purchases? This was an emergency kind of thing done very quickly. Most of these projects were ones that had been around for many years, requests in from—there were school boards. In our case, it was dealing with our colleges. There were things that had been asked for over many years and there wasn't the money to do. The Treasurer looked at ways of getting some jobs created very quickly with existing projects and decided to go this way in terms of capital projects using government facilities to give them a chance to be upgraded.

That isn't to say that farmers couldn't have spent the money on capital purchases and upgrades, but it would have taken a while to design a program and then make sure it was going to create jobs, and local jobs. If you purchase a new combine, I'm not sure how many jobs that would create in Ontario. It might create a number and it might not create any. So you'd have to design a program that was going to be targeted to create jobs.

There was a question about the floating price option on crop insurance and what changes have been made to the floating price option for 1992. Henry? And I'll give you the supplementary: How does the commission treat a zero yield when average farm yields are determined?

1730

**The Acting Chair:** Could you just introduce yourself.

**Mr Henry Ediger:** Henry Ediger, executive director, crop insurance and stabilization.

Last year there was some complaint about the floating price option in 1991. A lot of farmers said that the float was too low. It was relatively low compared to what it has been in the past when the price was fixed. This has been moved up for 1992. The amount it's been moved up is about 35 cents a bushel for corn. We've talked to all the commodity groups and they're relatively happy with the change in the float.

The other question was, what happens if a farmer gets a zero yield? Under our crop insurance program, farmers are insured on an individual average yield and, of course, whether it's zero, 10, 100 or 150 bushels, that's the amount that has to be put in in order to maintain the integrity of the program.

What the commission has introduced in the past couple of years is a buffering system. Any yield below 70% of normal is buffered up and any yield above 130% of normal is buffered down. So it's a symmetric buffering, and that helps in many instances. I've looked at a lot of 10-year yields where farmers have had three or four of their yields buffered, and it certainly goes a long way towards evening out some of these flows.

**Hon Mr Buchanan:** Again, for Mr Cleary's question on the tripartite premium funding of crop insurance, I can try to answer that one. We're dealing with the federal Crop Insurance Act, 1990, which sort of sets out the way things are done in the country as well, of course, as in Ontario. Under that, producers are paying 50%. We certainly support the concept of changes and modifications there, but we do have to go along with what is in the federal act at this point in time. We don't have the option of making our own rules unless we get the provinces on side.

There was a question on the legislation to implement Agricorp. The question was, "Why has it been delayed and when is it scheduled to be introduced and completed?" I can say that the legislation is ready to bring in. I'm kind of looking for an opening to do that, and I'm hoping we can have all-party support. If we can get that, the chances of my getting it in quickly and getting it through are improved. If there is anything controversial about it, it will be hard to get into the House, but it is ready to go as soon as we can get on the legislative agenda.

I think that, in conjunction with what I said yesterday, has more or less covered off your questions, Mr Cleary.

Mr Villeneuve also had a list. The first one I have is on the horse industry, and talked about the racetrack taxes and what could happen as a result of the possible introduction of casino gambling. The question also asked: Has OMAF studied this?

We recognize the horse racing and breeding industry and all the jobs. There are about 50,000-plus jobs associated with that industry. The Ministry of Consumer and Commercial Relations is very much aware of that and the importance of it. We talked to the commission. We know the horse racing industry is important to rural communities because it's spread across the province.

We are reviewing everything we have in the way of information. Any kind of impact the expansion of casino gambling would have will be taken into consideration, or any new gaming initiatives that we bring in. We're obviously going to have to consult with the horse racing industry and try and minimize any impact. Some of it would be by additional support through possible taxation or support programs, but we certainly are very aware of the impact any kind of gambling in other areas would have.

A question again on the Chatham Agricorp move and what operations would go to Chatham. Agricorp, I think, has been announced as going there, at least a couple of times. That would proceed. The head office facilities to accommodate the crop insurance and stabilization division would also be part of that and it says it will be completed by 1994. The crop insurance, market revenue program, tripartite stabilization and the farm income stabilization programs would then run out of Chatham.



The next question deals with upcoming environmental legislation: How much will fall under OMAF's jurisdiction on matters affecting farmers? It's a five-part question. What role has OMAF played in discussions? Did OMAF comment on the report of the agricultural task force, the Ontario Round Table on Environment and Economy?

We certainly have ongoing discussions with the Ministry of the Environment on the environmental bill of rights. In fact that was one of the reasons that one of the early things I did was to get a group of farm leaders around the table as an advisory group. We met, I guess, monthly last year to get ready to respond to the possible introduction of an environmental bill of rights. The first time that group met they were very fearful and as the year went on they got more positive and started talking about it. We have had discussions and, of course, feedback providing information to the Ministry of the Environment.

How much of that jurisdiction we would have in OMAF remains to be decided. I can say that the Minister of the Environment was very pleased with the farm leaders and how their farm environmental plan came out. She was very positive. In fact she took it to meetings and held it up as an example of how groups come together. Here's a group that was very fearful of her and her new bill of rights they had heard about. They actually took initiative on their own and what they've done will be recognized in new legislation.

Our role in the round table: We didn't formally comment on that. I'm aware that there was some criticism of some of the things in the early draft and how it was treated, but that was fed into the round table. It was part of the several task force reports. There was a lot of comment on some of the other task forces as well, but that was all then put into the round table and that group will make some kind of final report within a month.

We didn't get actively involved in the task force. Normally, you don't ask a task force to go out, do something for you, give it back to you and then sort of criticize them. It was accepted and then the recommendations came out of the round table, which is primarily 50% ministers and 50% business people.

The question on the status of fuel ethanol I think we've dealt with.

1740

The question on GRIP in Saskatchewan says: "Saskatchewan recently announced a number of negative changes to its participation in GRIP. Does Ontario plan any changes?"

We don't plan any changes along the same line I think the question would suggest as Saskatchewan, which looked at the structure. It's interesting, because as we understand it and as I understand it, they changed theirs to be a little more like ours here in Ontario and got into some difficulty because of it.

What we are contemplating changing in terms of the support price is that the farm groups had asked us to not drop off the 15th year, which was a very good year, I understand, in terms of price support, because they average 15 years in order to get the support price, and that came across the whole country and some of the other provinces supported that and we are supporting that. Basically that is

a better price, a better support price, but no other changes in the way GRIP works.

There was a question on, "Has the cabinet or the ministry approved the white paper or any other discussion paper on food land preservation in addition to what we've already circulated?" No, there are no additional papers other than what we have out now as a discussion paper, and I hope that is going to be the basis for a decision document. I know I've been criticized, in the press at least, for having another paper, another discussion, but this is intended to be a decision document we can use to make some decisions.

Another question from Mr Villeneuve, "On the broader subject of rural development land use, how does the government hope to promote more rural jobs and development when the issue is very closely connected to that of rural sewage treatment and the restrictions that have been placed by government?"

We are working with the Ministry of the Environment ensuring that environmental regulations are not unduly restrictive with regard to agriculture and rural development, and again, I'm hoping our consultation and working with Sewell will reflect that and we can in fact speed up rather than slow down some of the restrictions that are in place now. The minister I think has responded to that in some ways to speed up some development hopefully and create more jobs and not have the sewage treatment and other things get in the way of development.

The other question was the London-Middlesex annexation and have we responded. I think I answered that to a certain extent earlier.

Now we're getting down to the one I'm sure everybody is interested in, the money question. The question says: "The food industry is showing a 6% increase in spending for the 1993 year. Does the ministry have any particular goals in terms of turning around the widening food trade deficit, either in terms of further increasing exports or import replacement?" Grahame?

**The Acting Chair:** Please just give your name for the record.

**Mr Richards:** Grahame Richards, assistant deputy minister, food industry division.

The question, just to restate it, was that the food industry development vote item is showing a 6% increase in spending in the 1992-93 year and does the ministry have any particular goals in terms of turning around the widening food trade deficit, either in terms of further increasing exports or in import replacement.

In more recent years, I guess we were expecting some problems after the implementation of the free trade agreement. Also, a factor that's impacted on imports has been the high value of the Canadian dollar, which negatively affected our exports.

A large portion of our imports are products we don't grow in Ontario, for example, fruits and vegetables in the winter, citrus and tropical foods, tea, coffee and nuts. In spite of that, the ministry does look for opportunities for import replacement and indeed has in Mr Knox's area an innovation agriculture unit that is working on projects in that area.



More specifically, the question related to our goals. Our goals are to strengthen the Ontario food sector in order to enable it to be competitive in North America and thus globally. A strong, competitive food processing sector will ensure a ready market for Ontario farm products and ensure that we're competitive with imports and in a position to expand exports.

More specifically, the actions we've taken in the past two years are the formation of a food industry competitiveness branch to work with the food industry on competitiveness issues, and we have enhanced our traditional export programs with a border states program for new exporters and a program referred to as the expanded development and growth for exports program, which is a grant program to assist organizations in long-term export development activities.

We continue with our trade missions. In the last year, in both outgoing and incoming missions there were 100 particular trade activities. As the minister mentioned in his opening remarks, the implementation of the food industry strategy to address technology transfer, research and development, skills training, joint ventures and strategic alliances with the food industry are all designed to strengthen their position.

The results to date: From 1989-90, exports grew, I believe, about 17% in spite of free trade, and in our exports during that year the growth exceeded the import growth. Also, our share of world agricultural trade, although small, actually grew from 1989-90 after declining each year from 1986-89.

**Hon Mr Buchanan:** Thanks, Grahame.

Another question: "The federal government recently conducted a study of food industry regulations which were making the Canadian industry less competitive with respect to imports. When was the last study undertaken in Ontario, or will one be undertaken?" Basically, what we've done is that staff have reviewed the federal study. We are not planning any study at this point in time, but we are monitoring the situation through the agrifood competitiveness council with the federal government.

Next question: Agriculture in the Classroom needs to be supported as the population becomes more removed from agriculture. I have an extensive answer here, but I would say I support that. We recognize the fact that we need to expand our role into urban areas and education is one of the keys to that.

The question on the beekeeping industry, three components to that: Anyone want to volunteer to—

**Mr Collin:** There have been some major discussions this past winter with the bee industry, and the Ontario Beekeepers' Association particularly, on three basic disease problems: foul brood, which has been a disease of long standing with the bee industry in Ontario; tracheal mite. You may recall that tracheal mite has been a problem that has drifted from the United States into two areas near Cornwall and in Niagara. Over the last three years the industry and ministry have undertaken a program to eradicate hives where they find the tracheal mite.

There's a major change in this program this coming year. The quarantine will continue in Niagara and Corn-

wall. The quarantine simply stops the movement of bees out of the area by hive and allows pollination bees to go into the Niagara and Cornwall areas. They will no longer be eradicated or destroyed; they'll be treated with menthol, and hopefully that program will control it. The ministry has agreed with the beekeepers' association that the association will monitor the spread of tracheal mite outside the Cornwall and Niagara areas. There's a proposal to the minister that a fund be provided to the beekeepers of Ontario to do this monitoring, and the beekeepers are very much on our side.

The third problem the bee industry has in Ontario is the verroa mite, and there is no control for this problem. It's a disease declared by the federal government, the Department of Agriculture, and it was detected in Niagara and Windsor in the fall of 1991 for the first time. Agriculture Canada continues its program of control—it has the legal responsibility—and our ministry assists in research and development. Those are the three changes on the bee program.

**Hon Mr Buchanan:** I think I'll be through, except for my own members. There are a couple of questions; we didn't talk about NAFTA.

Anyhow, "Mr Villeneuve: 'How is the crop insurance commission to be changed?'" Basically, it will become the Agricorp board of directors once the legislation is through. One of the big questions is: How will vacancies on the board be filled? We anticipate that these will be selected by the Ministry of Agriculture and Food, based on advice from the general farm organizations and the commodity council. We're looking at the possibility of having a memorandum of understanding with the farm groups to set that out.

The last question deals with: How is the Ellen Lowry situation being handled? I remember this question well from the House. It has to do with separate crop insurance contracts. There's a policy in place which is universal across the country that says that two individuals have to have separate books and separate operations in order to have separate crop insurance contracts. We believe the case was dealt with in a fair manner, and there is every reason to believe that if she has applied and possibly was accepted for a contract for 1992, providing she meets the criteria that are applied to two individuals in the same household—it's uniform, it has nothing to do with her being a spouse of another farmer.

That kind of concludes that particular list.

**The Acting Chair:** Then the minister can circulate the written answers to the members who didn't get covered. The time for estimates has now expired and I shall now call the votes.

Votes 101 to 106, inclusive, agreed to.

**The Acting Chair:** Shall the estimates of the Ministry of Agriculture and Food be reported to the House?

Agreed to.

**The Acting Chair:** The time having expired, this committee will adjourn until Tuesday, June 2, when we will take a look at the Ministry of Health.

The committee adjourned at 1754.









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#### **Substitutions / Membres remplaçants:**

**\*Cleary, John C.** (Cornwall L) for Mr Ramsay  
**\*Hayes, Pat** (Essex-Kent ND) for Mr Lessard  
**\*Villeneuve, Noble** (S-D-G & East Grenville/S-D-G & Grenville-Est PC) for Mr Jackson

**\*In attendance / présents**

#### **Also taking part / Autres participants et participantes:**

Arnott, Ted (Wellington PC)  
Jordan, Leo (Lanark-Renfrew PC)

**Clerk: Greffier:** Carrozza, Franco



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Second session, 35th Parliament

## Official Report of Debates (Hansard)

Tuesday 2 June 1992

Standing committee on  
estimates

Ministry of Health

## Assemblée législative de l'Ontario

Deuxième session, 35<sup>e</sup> législature

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Ministère de la Santé



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# LEGISLATIVE ASSEMBLY OF ONTARIO

## STANDING COMMITTEE ON ESTIMATES

Tuesday 2 June 1992

The committee met at 1535 in committee room 2.

### MINISTRY OF HEALTH

**The Chair (Mr Cameron Jackson):** We have convened today to begin the estimates of the Ministry of Health. The committee has allocated 10 hours for purposes of this review. It is my pleasure to welcome the minister, the Honourable Frances Lankin.

As our standing rules set out, the minister will be given up to half an hour to make any opening comments. She advises me that she has a text which she'd be willing to circulate, but there isn't one at the moment. That can be received before day's end. Then we will go in rotation with the official opposition and the third party responses and then the minister's wrapup following that.

If there are no questions, we will proceed. Minister, welcome and please proceed.

**Hon Frances Lankin (Minister of Health):** Thank you very much. I will just take a moment and introduce the Deputy Minister of the Ministry of Health, Michael Dexter, and a member of my political staff, Rob Smalley, who is the legislative assistant. There are a number of other people here from the Ministry of Health who will be able to be of assistance if questions are raised that fall within their particular areas.

I will begin by saying that over the course of the remarks that the critics from both opposition parties will make, leading to any questions, I'd appreciate it if there were an opportunity for members of the committee to let me know the areas of questions in particular that they have an interest in and the order in which they may wish to receive that information so that I can try to ensure that, as I come to these sessions, I have the most up-to-date information with me. I do have staff in those program areas with me as well in order to facilitate answering your questions.

I'd like to take the opportunity of the opening remarks to stress what I think is the most important driving force in what we are trying to do within the Ministry of Health over the course of the next number of years. I think it's underlined by saying that there's a tremendous need for reform in the delivery of our health care system. There have been many studies, many reviews in other parts of the country, royal commissions, that have looked at the state of our health care system and definitions of health, and I think that one of the things we hope to achieve is to bring to the culture of all parts of government an understanding of a definition of health according to the World Health Organization, which is, as members here will know, much broader than perhaps traditional thinking may be around the issues of state of health as simply an absence of illness or infirmity. I think we are all looking much further than that these days.

It's important for us to say that we do have a health care system that is worthy of pride, and it is one that government after government has sought to protect and enhance. I think in this vein it's important to acknowledge that there have been steps taken in the past that start to lead us down the road of reform. Over the course of the last 10 to 20 years, extensive research has been accumulated that, I think, guides the directions we take now.

That research shows things like health being related to economic status of the citizens of our province. We know that mortality rates for poor Canadians are much higher than for rich Canadians, as an example. We know on a worldwide basis that research shows that people live longer in wealthier countries. We know that access to health care, as it's traditionally defined and delivered, has not in general narrowed the health inequalities between socioeconomic groups. We know there's a strong correlation between poor health and lack of social support mechanisms, networks and relationships. Things like self-esteem and coping skills and the ability to exert control over one's life are important. Early childhood experiences play a potentially critical role; the environment; there is a whole range of issues we know are critically important in establishing the health status of our population. Those things have more recently been defined and listed and referred to in documents as the determinants of health.

I think the debate around the determinants of health—ie, understanding the importance of them in the establishment of the health status of our population—brings with it a necessary response from government to try and look at matching the resources we invest in health with the issues we see out there as being the determinants of our population's health, and that I think is a major part of the reform that is necessary for us to take some greater strides to achieving. The necessity then to set ourselves some goals for the reform I think becomes clear.

We're perhaps lucky in Ontario that there have been other groups that have looked at this issue and attempted to identify health goals. We've been able to benefit from the work of the Premier's Council on Health Strategy under the previous government with respect to the health goals it established, which were the shift in emphasis from disease prevention to health promotion, fostering strong support of families and communities, ensuring a safe and high-quality physical environment, increasing the number of years of good health for the citizens in Ontario by reducing illness, disability and premature death, and providing accessible, affordable and appropriate health services for all.

I want to indicate to you that certainly the Ministry of Health is committed to all of those goals. We have adopted those goals and internalized them as part of our framework for assessing initiatives and decision-making within government, and I'm particularly pleased to indicate that the



government as a whole has adopted those goals. As I indicated before, it will take some time to have the change in culture that's necessary in government for all parts of government to see these kinds of health goals as screens through which they should filter decision-making and program planning, but I think we're taking steps in that direction. That's important, and those factors will really set the stage for reform.

It is also very important for us right now to acknowledge that there is a fiscal context to the situation we find ourselves in and a fiscal context within which we are attempting to achieve reform. It would be remiss not to acknowledge that it places certain pressures, certain constraints and certain imperatives on the decision-making we are faced with. With respect to the fiscal context, there are three major areas we need to keep in mind that I'd like to address.

The first of course is the recession we have been experiencing in this province and this country. There is no doubt that people have reached an agreement that this is the worst recession since the last Depression. We know there are tremendous forces that are restructuring our economic base in this province and we know there are effects of that with respect to the fiscal revenues of government and the ability of government to maintain levels of delivery of service and the challenges they present.

Although we find fiscal resources are very constrained, in the budget this year the Treasurer made it very clear that the government had identified three priorities: saving jobs, retaining services and controlling the deficit. Those are our challenges that are set out for all of government, and I assure you that the ministry is seeking to restructure and realign the health care system with those goals in mind. We're seeking to minimize the human dislocation and job loss, and I'll talk in a bit about how we are doing that. We're seeking to retain the necessary existing services and to create new ones where that is indicated, and we're working to introduce management that is geared to deficit reduction, excellence in management through quality assurance and provider planning and collaboration.

The second issue we need to contend with in the fiscal context is the federal withdrawal from medicare. Members will know that provincial governments across this country suffer from the reduction in federal transfers with respect to both the Canada assistance plan and established programs financing. The federal share of Ontario's expenditures on health and higher education has fallen from a high of 52% a decade ago to 31% now. It's important for us to recognize that this is a force with respect to the fiscal context, and here I don't want to simply say we're pounding the table and saying that the federal government should provide more money. I think it is very important that the federal government remain as a partner in our national health care system. I think we need to see an adequate and stable level of financing from the federal government, particularly as we go through this period of transition and restructuring. The need for that stability is important to provinces and to provinces' health care partners—the transfer payment agencies and our communities.

I can't leave this issue without commenting on perhaps the more serious threat with respect to the continued

reduction in the federal share of health care dollars, and that has to do with the federal government's ability to enforce the principles within the Canada Health Act. The fiscal levers they currently have under health financing through EPF are slowly disappearing as we see the deterioration of the level of support from the federal government.

I think we need to put squarely on the table, as provincial legislators in this province and other provinces are doing, our continued support for medicare, for the principles in the Canada Health Act and our message to the federal government of our deep concern at its soon-to-be-realized inability to enforce the principles of the Canada Health Act if it loses these fiscal levers and if those enforcement mechanisms aren't replaced by other mechanisms such as enshrining a social charter in the Constitution.

It's a very important issue that is sometimes hidden behind the scenes and the technical debate around formulas of federal-provincial transfer payments and fiscal relations. I hope it is one that collectively, as provincial legislators, we can bring to the forefront of public understanding and knowledge, because I think it truly is a very dangerous threat to our national health care system. I assume that you, like me, believe our medicare system is worth saving and that the public of this province and this country value very highly our health care system. That is something Canadians and Ontarians hold dear and believe reflects our different values as Canadians and our national identity in many ways. I think that has come through many times in the constitutional discussions that have been taking place.

The third issue that makes up part of the fiscal context we need to be aware of is the record of the escalation in costs in our health care system over the last number of years. I think we have to put squarely on the table a question for all of us to answer: "Is the health care system, as we have known it and have been financing it, a sustainable one?" I doubt there's a person in this room who could argue that it was sustainable. Therefore, if we agree we have a problem, we must find solutions to that problem. I think we're fortunate in that one of the first places we can look in trying to resolve that problem is to much of the study, examination and research that has been done which points us in the direction of waste in the system—waste in terms of inappropriate treatments; waste in terms of duplication of services. There are many areas that we believe we can effectively reduce expenditures by moving to quality assurance and high-quality management, excellence in management, which will in fact improve delivery of health care services, not jeopardize delivery of health care services. I think in some ways that's a good-news note in the difficult fiscal context we experience.

#### 1550

I want to stress that growth—if you've read the supplementary budget paper, you will know the kind of numbers we're talking about—over the past decade was on an average annual rate increase of 11.2%. If you break it down into different components, hospitals are just under 10% a year, OHIP has been growing at about 13% a year and the drug benefit plan has been about 18% a year. Behind those numbers, however, are real programs affecting real people and we have to understand what the effect can be. When I



say that, I think there are areas in which we can improve, where we know perhaps there's inappropriate treatment, even harmful treatment.

I can point to examples like statements from the association of hospital pharmacists, which, by its numbers, indicates it believes that 4,000 seniors in this country die every year because of overmedication and there are 200,000 illnesses caused by the same reason. That's why it is important to take action on the recommendations that flowed from the Lowy commission and other reports. The drug reform secretariat is initiating the drug utilization review, bringing pharmacists, seniors, medical practitioners and others to the table to try to change the pattern of prescribing and the pattern of prescription drug use among our seniors population. That can produce better quality care, as well as a more cost-efficient use of our resources.

I want to briefly give you an update on the progress of the components of our reform, as we have indicated in the document we released in January in terms of strategic directions. First of all, the reorganization of the ministry itself is designed to try to meet the priorities we have set out: the establishment of several major groups like the health systems management group, the health strategies group and population, health and community services. We hope we have built the bridges in the appropriate corporate structure to be able to deliver more in the way of effective management of the health care system and provide assistance to our health care partners out there, as opposed to perhaps how government has been seen and the role it has played in the past of a claims payment agency or a funding organization, rather than an interactive partner in terms of the management of health care.

In our estimates book that we've circulated to you—I think it's on page 6—you'll see the organizational chart that sets out that reorganization. You may want to take a look at it.

In the area of hospitals, you will know we have taken major steps with respect to our goal of program reform. The major parties have come around the table to develop the framework for a new funding formula and the priorities and the important areas they believe need to be addressed in the reform of the funding formula for hospitals. That is ongoing.

We have established, I believe, a new and dynamic relationship between community health planners in the district health councils and hospitals, to look more closely at regional needs and ensuring that health decisions that are being made within institutions are no longer centred in individual institutions, that they cut across the delivery of services to the community and that those decisions are guided by good health planning and good needs analysis to ensure the delivery of services is reflective of the community health needs that are identified.

I think the kind of support we are trying to give to the restructuring process, both with the active committees, with the hospital association and other partners that are developing operational plans, and the requirements for how hospitals develop those plans and work with their workers and communities and others to develop the plans, as well as a more proactive process of parties coming

around the table and trying to look at the major issues of restructuring over a longer period of time, are all indications of major changes in the hospital sector and an attempt to involve the greatest number of people we can in these discussions and in these decisions.

You will know that there is major restructuring resulting from the transfer payment announcement. But I want to assure you that in addition to the 1%, the additional allocations that have been made have, I think, met with great approval in the hospital sector with respect to things like the \$49 million for essential services, expansion of dialysis and bone marrow transplants, chemotherapy and cardiac surgery. Another \$46 million helps accelerate the shift from institution-based to outpatient and community care, support high growth areas and reduce historical funding inequities. All of these additional dollars that are very targeted, very specific, I think have been welcomed by the hospital community.

As you know, we also have an established labour adjustment fund attempting to minimize the impact of changes in the hospital sector on individual workers. At this point I should indicate to you—and although I don't have hard figures for you this week, I hope to have in the near future—that despite the kinds of predictions we heard about the thousands and thousands of people who were going to lose their jobs as a result of the transfer payment announcement, hospitals and unions and communities have worked very hard to be innovative and creative and to find areas to reduce deficits by other measures. Their efforts are praiseworthy, and a tremendous credit goes to hospitals on this.

I can tell you that when we provide you with the numbers, you will see that it is only a fraction of what had been predicted that has actually resulted out there in the communities. Still, we would rather be in a situation where there wasn't any, but we will be working with those people to help them make a transition to new jobs in the community through retraining and other adjustment measures.

The Ontario drug benefit program reform: Essentially, most of the updates that I can give you with respect to that are contained in the health supplementary budget paper, and I would refer you to that information or answer any questions you have around it. It is moving and moving quickly, and over the course of the next year I think the drug utilization review and other initiatives will see a much more effective management and better product being delivered to the clients of that program.

For the first time, I think, in the history of this program, you will see that this year there is a decrease in the dollars being spent on OHIP in terms of the percentage of the overall health budget. We've gone from 32% of the overall health budget last year to 29% of the overall health budget this year. There are increases in areas of community health, long-term care and other areas that I think are steps towards the beginning of the shift, as well as an investment in other determinants of health and other parts of the government, whether that be job strategy, provincial training programs, the sorts of things that are very important for us to invest in in terms of upfront investment in health.

You know about the agreement with the Ontario Medical Association. There are other negotiations ongoing, and

we are certainly prepared to answer questions that we can about that.

The area of mental health reform is next. We have a number of serious problems in our mental health system. We are facing increasing demands on the system which include demands for services and service access issues. There are inefficiencies in services; there are very poor linkages between research, policy development, funding and service delivery; there are labour relations concerns, and there is a lack of a long-term strategy for prevention and early intervention. We are talking about a problem that affects about 1.5 million residents in this province.

We think we need to take steps consistent with recommendations of the Graham report. We have identified mental health reform as a strategic priority. There is a steering committee of the relevant Ministry of Health branches that has begun to develop a work plan to try to link the recommendations that we saw in Graham and other areas, to try to build linkages between the facilities part of our system, whether those be our psychiatric hospitals or psych units in general hospitals, and our community delivery of the services. It is looking at ways to integrate those and looking at ways to truly direct the services to where they are most needed.

In this respect, we have again adopted goals from the Premier's Council on Health, Wellbeing and Social Justice looking at reduction in suicide, increased employment for people with schizophrenia, and reducing the disability from schizophrenia, Alzheimer's and other dementias. We are in the process of developing a multi-year plan for mental health services which will include mental health promotion and prevention of mental illness.

Mr Chair, can I just check on how much time I've got?

**The Chair:** You've got nine more minutes.

1600

**Hon Ms Lankin:** Okay, thank you.

With respect to long-term care redirection, you'll know that we have just completed the consultation on this major reform in government, and here I'm really thrilled to tell you about what I think is a success story in terms of consultation and reaching people. Over 70,000 people participated in over 3,000 organized sessions in this consultation. Seniors and members of their families came out, and persons with disabilities. It really was a tremendous success in actually being able to reach the consumers of this service and hear from them directly about what their needs were, as well as the organized voices of providers and others. It was a tremendous initiative. Almost 2,000 written submissions have been received on this. Well over 2,000 phone calls came into the government's phone line for more information. There were about 80,000 discussion documents distributed in various forms—audiocassettes, other languages. It really is tremendous.

We heard a lot. I have to tell you that there were some important criticisms that we heard during the process of this consultation. We're in the process right now of reviewing the results of that consultation and giving policy consideration to some of the areas that the communities out there

have said must be changed from the program suggested by government.

Again, I'll commit to you that this is a major priority and that the government has allocated \$647 million over the next five years; \$100 million of that will be flowing in this year. We will be moving to make those final decisions with respect to those dollars very soon, in keeping with the policy decisions that are being made.

The management of health human resources: This is a major challenge and, we believe, a very crucial necessity. A large part of our health care expenditures are invested in people delivering services to other people. There are just under 300,000 workers involved in health care in Ontario, and payments to providers of care, such as physicians, nurses and rehabilitation workers, comprise about 75% to 80% of our health spending. About \$13 billion in 1992-93 will be directly related to the provision of direct services. That's not buildings, not technology, not the other things that are also costs in the system. Despite this—not just in this province; this is right across Canada—we do not have a history of effectively managing and planning health human resources. We've not looked at what the future projection of population health needs will be and tried to match our resources planning in terms of training and development of health care providers.

This is a tremendous challenge. We're undertaking a number of initiatives, both provincially and nationally, to address a number of key issues. You will know that one of those key issues is physician resource planning.

At the same time, we're also looking at trying to increase space for non-medical health professionals to assume full scopes of practice. The recent changes to the health professions legislation certainly allow for that evolving scope of practice. It's an important change, one that other provinces have looked at and are looking to copy in fact.

It is certainly necessary for us to be able to move to a mix or variety of health care providers in the delivery of primary care and other health services. In order to match the training and supply, there needs to be very active work in developing that kind of strategy.

We are working on the development of a community health framework. Here again I want to say that these are not new, radical ideas. What we have are some experiments that have taken place over the last decade that we think we can learn from and build on and for which we can try to develop a framework. We had the experiment of community health centres as one type of community delivery of primary health care. There are health service organizations. There has been discussion of comprehensive health organizations. All of these are various organizations of funding and individuals, and they vary in terms of their structure and goals, but they are essentially primary care delivery at the community level and different experiments in that.

We think we can move to develop a framework of comprehensive community health and public health strategy for delivery and funding of primary care, including more delivery sites and an expansion of what is on the ground now.

The plan we are working on, and we are working on it in conjunction with people from the community, is looking at determining the role of the primary care and health care



delivery system, especially regarding accessibility and equity issues; developing a policy and planning framework that complements the role of institutions. As you know, we've moved and been able to establish a planning guideline framework for institutions so that district health councils and hospitals and communities have something to judge their planning by and to guide them. We are looking, with our partners out there, to develop a similar kind of planning framework for primary care and community delivery of that service.

We are hoping to be able to evaluate the effectiveness of existing models, including CHOs and independent health facilities and other sorts of experiments that are out there. We've never done much evaluation of what we do in the health care system, and as we become more rigorous about that, it needs to be applied to the community sector, not just the institutional sector.

We are looking in our plan to ensure that we're developing culturally sensitive services to meet the needs of specific communities and the changing needs of the communities that need to be served, and to develop mechanisms to ensure accountability and to have informed choice.

Let me conclude by briefly saying that the kind of restructuring and reform we are embarking on in this province collectively out in the communities and in government is not easy; it will not be easy. I don't bring a Pollyanna approach to this, but I do believe it is crucial to our ability to create a truly sustainable health care system. I come back to the premise I put to you, that everyone I have talked to in the system, irrespective of the sector he or she comes from, irrespective of political background, agrees that the system we have is not sustainable as it is, that there needs to be a change.

Therefore, I think the question of reform is a redundant question. Reform must take place. The nature of the reform, perhaps, becomes more debatable among various parts of the community, and various members of the Legislature even, but there have been almost two decades of research in Ontario and across this country and in the United States and internationally that I think really provides us with a great basis to be sure we're actually taking the right steps in terms of the reform we're trying to achieve.

I don't claim that we're pioneering this reform. I believe other governments started down this road. I can point to examples under the Conservative government. I can point to even more examples under the Liberal government, and I can point to many examples under this government. It is a period of acceleration of reform for many reasons, in many situations. The time is right. There is a historic window of opportunity. I hope the ministry, with myself in the role of minister, will be stepping through that window of opportunity, along with our health care partners, to truly achieve the kind of reform that will allow us to have continuation of a very valued resource and national heritage, our health care system into the future.

I think that gives you an overview of my feelings with respect to reform. We hope that in reforming the system, we'll be putting the issues of enhanced quality of care and reform to a new vision in the driver's seat, as opposed to the fiscal context within which we are doing it, being in

the driver's seat. In this way, I think we can implement the kind of policies that we need to bring to life the consensus of directions in health care that have been held by all governments for some time.

I think we also allow ourselves to deal with the fiscal situation through enhancing the kind of quality in care that we provide, which will achieve objectives that are both fiscally and socially responsible, and those are the goals we have set for ourselves in the Ministry of Health. I thank you for the time to make the introductory comments.

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**The Chair:** Thank you very much, Minister. I'd like to proceed with the comments from the critic for the official opposition, Mrs Sullivan.

**Mrs Barbara Sullivan (Halton Centre):** I won't take the entire time, because I hope my colleagues who represent different areas of the province will also be able to contribute to the discussion of some of the changes as they see them occurring in the health care system from a geographical point of view, which I think is important in the discussion of the balance and equitable delivery of health services. Because the three of us represent very different areas in terms of geography and in terms of the demographics of our communities, I think the words they have to say are important to have on the table.

Where I'd like to start is really where you concluded, that the changes we're seeing in the health care system are in fact an evolutionary change that started during the Conservative government, continued through the Liberal government and will continue with your government and whatever government replaces your government in the future, that the goals of change are similar and that the data and the way people have seen health care move since the introduction of medicare are influencing decisions in terms of policy and political choices of all political parties, not only in Ontario but elsewhere as well.

There's no question that we see changes in the system as necessary, sometimes based on new technology, new technical approaches to the delivery of health care, sometimes brought about by pressures of burgeoning budgets, which is clearly a matter of emphasis for this government at this time; and very frequently, and in fact in a healthy way, changes are brought about by consumer demand, where people say they want to make different priorities the essential decision-making point in the delivery of what is a matter of national pride and a matter of the way we identify ourselves.

It's very interesting to compare, in my view, what's occurred in Quebec in terms of its approach to changed pressures in health care and the way we have approached them in Ontario. The first question people in Quebec asked was, what proportion of their provincial resources did they want to commit to the health care system? What specific surround of the GPP should people make judgements about as being the appropriate requirement and ongoing demand in terms of health care delivery, no matter what change in demographics or what change in technologies?

I thought that was a very interesting place to start, because what it means is that, given that surround and given the acceptance of the principles of medicare, which



clearly are a matter of importance to us here, that particular context and decision means there can be a thrust in terms of change that has a base to it, that yes, by George, we're going to commit a third of our budget in perpetuity, but that's all we're going to commit so let's make these areas work. Maybe we're doing the same thing in Ontario without the words and without that physical description, but I think it's very interesting that that starts the Quebec documentation. It's led them to decisions that I think are inappropriate in terms particularly of their recent budget, but I think it's an interesting place to start.

One of the things we are most concerned about in our party is that while changes are made in health care, there is a balance and integration in the system; that in, by example, a shift from an institutional base to a community base, hospitals aren't left in a position where they can no longer deliver the appropriate level of quality services in the communities.

In my own community, my constituents are served by three hospitals. One of them, as you know, because that came before you just recently, is at a perilous point because it's so far below even the goal of number of patient beds per thousand population—or patient days. I get these little formulas mixed up depending on what context we're in. That hospital is in a perilous situation and the people in the community therefore are in that situation. We don't have the long-term care services and we don't have the community-based services to alleviate that. I am sure that is not a situation unique to that part of Ontario.

I think the balance we're looking for is to ensure that not only is there care being taken in decisions, that the quality of care is not diminished in any way, but second, that useful tools which have been found to be beneficial in the community and in the health care system aren't rejected simply because they're old.

In the fiscal context in which you placed many of your remarks and in which I've to a certain extent opened mine, another area of concern we have is that while we acknowledge that decisions must be made within the fiscal context, we believe decision-making must be made not only on cost containment alone, but on the cost-effectiveness and quality of care.

Some of our reactions in question period and in other forums are concerning the decisions that appear to us to have been made in a cost containment mode rather than in a cost-effectiveness mode. I can give you the example of some of the drugs that became available only in a certain way: the AIDS drugs. It appeared to be an afterthought that in fact those drugs were also extremely important in the treatment of shingles for senior citizens. What appeared to us to have happened, and in fact I am convinced what occurred, was that a decision about cost containment had been made without looking at the entire parameters of that decision.

I think a similar situation is now being faced with respect to the item you have put forward in your health care supplementary budget document relating to the curtailment of fees for laboratory tests, when in fact the commercial laboratories themselves are prepared to come forward with proposals which they believe—and I certainly find interesting—would meet your fiscal containment needs, and they

do not believe the method you have chosen will in fact do that for you because they have no control over which tests are ordered and who orders the tests. You've talked about partnerships; I think what they're saying is that if they were at the table with you and were in fact full and meaningful partners—and other of the so-called partners in the health care system have indicated that same negative response—that indeed there could be a greater consultative framework and in fact more positive decisions made.

I would like to hear more information from you and from people in your ministry in relationship to remarks you made about the Canada Health Act. We are naturally all concerned about the impact of federal decisions on transfers on the Ontario health care system, not only this year but in the future. None the less, we would like to have more specific and direct information on what the actual transfers from the federal government were this year. This year, we understand the increase was in the range of 3% to 4%, although the cap was 5%, in comparison to the transfers of 1% which were made by the government to our transfer agencies.

If that debate is going to go anywhere, I think there has to be fairness in terms of not only the way the issues are put but in the way the accuracy of the information is presented and put on the table.

#### 1620

In the changes which have been made as a result of budgetary decisions and, following later, on the transfers, we know there have been numerous people laid off from hospitals and other agencies as a result of the change in transfer levels. To our mind, what was a positive step was that there was \$30 million of transitional funding provided to the institutions to assist them with the employees in making changes.

One of the things that has concerned us, however, is that funding is not available to some of those institutions, facilities or agencies that in fact could most directly utilize the services of the people being laid off from the hospitals, by example. I think of the Victorian Order of Nurses, a major deliverer of home care services, not able to access transition funds to train people who have been used to working in an institutional setting in how to deliver care in a community-based setting. There are differences, and the people who are delivering care, whether it's in the institution or the community, all say this is not the same training, not the same approach, not the same skills that have to be applied.

None the less, we see the concentration of funding put into the human resources training, in how to prepare résumés and how to find out where opportunities exist, but little placed in the areas where in fact those services could be expanded and, in a community like mine, are desperately needed. Similarly, agencies in which we all hope some of those people would find new places don't have the money to hire them in the first place, let alone train them.

If you would like to address that as we go through the vote-by-vote materials, I think that's something on people's minds. It's certainly on the minds of people in agencies.

I've recently met with people from the mental health and addictions area on several occasions and followed up meetings, which we all have as members in our own

constituencies. One of the things I'm hearing from those groups—and you've talked about the goals in terms of changing mental health programs and approaches—is that they have no idea what's on your mind. They don't know if you support the Graham report. They don't know where the district health council reports fit. There are no signals. They don't know anything about the multi-year plans and they don't seem to have access to find that information.

I think that's regrettable. District health councils, to a greater extent of quality in some cases and a lesser extent of quality in others, have worked diligently to put together reports on services which could be delivered and coordinated in their community, and many of them haven't had a response since they were first submitted. In one case—I believe it's Durham—the report has rested in the ministry, I'm told, for well over a year. Certainly in my area a report has not been in that long but it hasn't even been acknowledged that the report has been received.

If the simple acknowledgements aren't occurring, I think it's a legitimate criticism to ask, how are people expected to know what else is going to occur in that particular area, where they fit, what lies ahead for them in terms of managing an appropriate level of service and how that service will be funded?

I want to move on to long-term care consultation. As you know, this area is one that Bob Nixon, our Treasurer at the time, and Elinor Caplan, our Minister of Health at the time, felt would be the introduction of the first consultative paper, the most important change in the approach to medicare since the introduction of medicare itself. I think that was broadly felt through our government.

At the time of the introduction of the consultative paper, as you know, the consultations really didn't proceed because there was a change in government at the time. One of the things we found disappointing when a year and a half elapsed before the next government's paper came out was that it was basically the same paper, even though during that intervening year and a half there had been all sorts of issues and areas that had been determined through processes to have not been adequately addressed, or questions not raised in the first consultation paper; things from chronic care, to transportation, to respite care, to the training of workers, to community access agencies and whether indeed an appropriate body that already exists should be used, to how and if, by example, the Alberta patient classification system should be adjusted for an Ontario-specific approach to the question of housing. All those issues we had hoped would be there in the next document. A year and a half after the first one came out we just thought was a year and a half lost because in fact nothing much had changed.

If there's one regret about the whole consultative process—and I agree that it's been an extensive one. My God, sifting through the issues is of course going to concern all parties and all people, whether seniors or others who require long-term care, but those issues I think will be on our tongues as we proceed through the discussion of long-term care.

We also want to know far more about how you see funds flowing, where they're going to be taken from,

where the chronic care institutions, which have no place for people to go, are going to fit into that system. As we go through the votes we will want far more specific information in those areas.

How am I doing on time, Mr Chairman?

**The Chair:** You're doing fine; 13 minutes.

**Mrs Sullivan:** A couple of other areas we would like more information on as we proceed through the votes: You've mentioned human resources planning, which is a priority of the ministry, particularly the physician resources planning. We see a conundrum here, because we know you have announced in the supplementary budget that you will be looking to save \$80 million this year in terms of reallocation of physician resources in the province. We have not seen and we don't believe there's adequate information or consultations that have taken place, by example, with the universities themselves, with the physicians themselves, although we know the JMC is working on this issue, and we wonder how the prediction of an \$80-million saving could have been made for this year when the McMaster study—what's that thing called?

Interjections.

**Mrs Sullivan:** No, the new centre at McMaster.

**The Chair:** Sounds like?

**Hon Ms Lankin:** Are you talking about the ICES, with Dr Naylor?

Interjection.

**Hon Ms Lankin:** Oh, the data centre.

**Mrs Sullivan:** Exactly, the data centre. What we don't understand is how the projections of an \$80-million saving can be made when the work hasn't been done. CHEPA, the centre for health economics and policy analysis, right. People are so used to using the short forms. It's easier when you use the long ones; people understand what you're saying. When that work hasn't been completed—we're talking not only about work in terms of physician resources planning but in terms of demographic projection, looking at emerging disease, illness prevention, patterns of care and so on—how can that \$80-million projection be made for this year, let alone for years in the future?

1630

The other thing in that area that we are concerned about relates to an issue that's been put forward by women physicians themselves, and an area that I think is very interesting to bring to the table as a woman—not a woman who has practised at all in any of the health care professions, but many women who have tell me that women who are practising now in physician services are practising in a different way and making different choices about how to practise.

Once again, they are saying that as an impression but without the documentation, they tell me, that supports that kind of conclusion. If that kind of conclusion is not available from a database, how can this projection be made in terms of savings, and indeed what other necessary choices will be made? I think some of the work the OMA has done in its original paper, which was submitted to its own membership, is very interesting, and there are other issues to be



raised, but we think that \$80 million is questionable and would like to pursue that with you.

You talked in part, in relationship to alternative delivery of care, about the HSOs and the CHOs and the CHCs.

**Mrs Margaret Marland (Mississauga South):** Is that French or English?

**Mrs Sullivan:** What these organizations tell me—each kind of organization, the health service organizations and the CHOs—is that they don't know where they stand with the government either. They feel there has been inadequate direction, approach, communication with them; that decisions which were made in terms of their own billing methods, the method of data transfer between the ministry and the organizations themselves; in fact the questions regarding their viability and the ongoing commitment of the minister and the ministry to their continuance, are very much on their minds.

The question in terms of the indication you have given today, by example, of a multidisciplinary approach to health care delivery, is very much on their minds in that what they are saying is, if you don't see a commitment to the multidisciplinary approach in, by example, an HSO, where is that multidisciplinary approach in other areas?

In my community, some of my constituents are served by the Caroline Medical Group, one of the first HSOs in Ontario. It happens to be physically situated in Mr Jackson's riding. The people who deliver care there are in fact highly committed to the concept of a capitated system where the patient can be followed and treated in a multidisciplinary environment at what they believe is a cost saving to the province as a whole. We know that in a different form of capitated service the Toronto Hospital was held up for a long time in being able to move ahead on its own proposal for a community-based multidisciplinary care service.

All of these organizations are saying: "Where is the ministry, where is the minister, on these issues? Where is the funding? What do we have to do to convince them that we need to have support and an indication of what the policy base is?"

I'm going to conclude now by asking Mr Brown first and then Mr Eddy to add their comments—in four minutes, two each—on some of the geographical issues that are coming before us. I know we'll be able to pursue some of these issues in vote-by-vote discussion.

**The Chair:** Mr Brown, that's your entrée.

**Mr Michael A. Brown (Algoma-Manitoulin):** As someone who represents both a northern and a rural constituency, we obviously have some concerns about health care that may be slightly different from what the Metropolitan Toronto people or other urban dwellers may have. I'm concerned, for example, with the northern health travel grants. I'm concerned with the way they're flowing. We know there's quite a backlog at the ministry and the people are not receiving the dollars in a timely way to reimburse themselves. To be clear, a lot of my constituents drive 200 or 250 kilometres to get to a health care facility.

I would note, though, that I appreciate Dr MacMillan from OHIP writing to the northern MPPs asking them for their input on northern health travel grants and asking us

how we saw that particular issue. I haven't replied; the difficulty is that I had no idea what he was asking me. Was this Santa Claus saying, "I'll give you whatever you want, Mike," or were there some parameters around the discussion, of, are we trying to spend the dollars we have better? Are we going to get more dollars? Are we going to get fewer dollars? It made that letter impossible for me to answer, because if I wanted to do the wish list thing I could easily do it, as could any member, but I was wondering what parameters are around that.

We have other concerns also. I have three hospitals in my riding—I wouldn't be unlike a lot of other northern MPPs—that are spread out and have very diverse needs. We see two of the hospitals laying off staff. One of the other hospitals is in the midst of a major reorganization as demographics of the particular community have totally flipped, from a community with people under 35 years of age with many children being the norm to a community of senior citizens, and the demands on the health care sector having changed radically in a short time.

We have concerns about closing down the seniors' lodge in Elliot Lake, for example, which is a real possibility, because we haven't got on with long-term care, and there's kind of a ping-pong ball between Comsoc and Health.

I'd better quit; Mr Eddy is looking quite nervous.

**Mr Ron Eddy (Brant-Haldimand):** I'm nervous about whether I'm going to get to speak or not.

**The Chair:** You're going to get to speak, Mr Eddy. Don't worry. We're patient here. You're in your concluding remarks. There's some latitude here from the Chair, as there was with the minister. So everybody just get comfortable.

**Mr Brown:** I'm actually very concerned about this particular issue. In Elliot Lake we have a large retirement community that has developed because of a proactive government-sponsored program. We do not have the health facilities there to take care of them. What is there is Huron Lodge, which is a Comsoc-supported facility. It is presently being denied funding by the Algoma District Social and Family Services board, meaning that the community of Elliot Lake itself, a city hard hit by the economic ramifications of what's going on there—we don't know what the future is.

The community has been lobbying for a long time, not just since this government has been in power but before that, for a seniors' campus, for something to address this. We are getting somewhat frustrated in that area, in trying to integrate this retirement living program with a lack of services and actually what appears to be withdrawal of service. That's causing the people in the city of Elliot Lake a great deal of concern.

So we do have some different concerns, I think, than other parts of the province, but in many ways I could echo my colleague's thoughts about the budgetary difficulties and how we cope with those.

**The Chair:** Mr Eddy.

**Mr Eddy:** Thank you. I could always write a letter, you know.

When we think of health care, it's mainly concern with the hospitals, four smaller-sized community hospitals and



two larger ones, but it's mainly the closing of beds and the number. When you close over 100 beds, most of which are chronic beds, it certainly creates a backlog. It creates a backlog in the homes for the aged in the extended care beds; there's a waiting list there. Some of those people should go to chronic care beds, but they're being closed. It also creates a backlog in active treatment beds, because active treatment beds are used up for chronic patients, resulting in overcrowding, using hallways and, in my opinion, in some cases, maybe too early departure from hospital.

1640

The chronic care costs, of course, in the homes for the aged result in increased property taxes because they are not funded the way hospitals are. There is funding through Comsoc, but certainly the funding does not—and this is a matter I understand is being looked at—match what it should be.

Local hospitals are community hospitals, and they were the once proud health care providers in our communities. In my opinion, they've become demoralized and scared. They're scared because the future looks like closure in many cases. Certainly they're constantly constrained through lack of provincial funds. I think what has happened is that they've changed from proud leaders of health care in our communities to, as I say, demoralized and scared citizens, hospital boards, administrators, staff and indeed patients. That's very common, I find. The closure of beds results in unemployment, of course, and there are not jobs out there to be found.

I find too in some cases that the hospitals, although they're operating downsized, don't have the funds to carry out even the most basic and necessary repairs; in some cases hazardous situations. It's very serious and I think it has to be faced, so I'll be asking about that.

**The Chair:** To complete the rotation of opening statements, I'd like to recognize Mr Wilson.

**Mr Jim Wilson (Simcoe West):** Minister and colleagues, I hope you'll bear with me. I have a number of concerns I'd like to put on the record, a number of comments dealing with various issues relating to our health care system. I'm going to plow through my notes here.

I want to tell you, as I begin, that my notes are derived from the hundreds, if not thousands, of letters I have on file now from people across the province who have written opposition members with concerns, and also the numerous meetings I've had during the past year in which I've had the privilege of being the Health critic. So while all these concerns are not necessarily my own, they are concerns and I'm pleased to have this opportunity to participate in the estimates process, where hopefully we can find some answers and solutions to a number of the concerns.

Minister, you'll have an opportunity of course to straighten us out where we need to be straightened out. Perhaps we will bring some things to your attention that you and your colleagues and staff may not have thought of, so I appreciate this opportunity.

On the critical side—much of it is critical and I apologize for that from the beginning, but I think it's important we get these concerns on the record—I really do have to

conclude, after reviewing the case loads I have, that after thousands of job losses and bed closures and persistent waiting lists for treatment the administration does not appear to have a comprehensive health care management plan. Repeated attempts to get the ministry to clarify its stance in the direction of health care have failed. We've tried that in the Legislature, as has the other opposition party. This is the case, I would say, in spite of an abundance of rhetoric to the contrary.

Minister, I know you had a number of general areas you had to cover today in your opening remarks. But if I'm critical of one thing, it's that the answers we get in the House have almost been too general. I note that the same applies to the goals and strategic priorities paper that was released by the Ministry of Health this year and the budget supplement paper. It's very general, and it's difficult for health care providers, hospitals and all those involved in the delivery of health care services to really get a handle on the direction the ministry is going.

In the area of hospital reform, I think one of the great comforts of living in Ontario is—or, some would argue, used to be—knowing that if illness or injury strikes, you would get immediate attention when you went to a hospital. I think lack of government direction has crippled Ontario's hospitals by limiting their resources and increasing their costs to the point where hospitals are having difficulty meeting demands and ensuring the availability of quality care.

Layoffs and bed closures are adversely affecting access to hospital services, as we heard the Liberal Party also mention, and putting a considerable dent in the local economies of communities across the province. While the 1992-93 budget has limited funding increases to hospitals to 1% this year and 2% in each of the following two years, I'd argue that this helps to solve the government's cash flow problem but it leaves hospitals on the hook. The Ontario Hospital Association has estimated that 4,000 staff will be laid off and 2,300 beds closed this year. In 1990-91, we did see 1,228 beds closed and 1,124 staff laid off. In 1991-92, 1,570 beds were closed and 2,738 staff were laid off. While the 4,000 projected layoff is exactly that, a projection by the OHA, I will be interested in comparing the OHA's predictions with your ministry's own figures.

**Hon Ms Lankin:** In fact their projections are much higher than what you've stated there, but we can refer to that too.

**Mr Jim Wilson:** Thank you. I'll look forward to further clarification on that and exactly where a number of the people are, because I'd agree with you that a number of the people who are being laid off in the hospital sector are being absorbed in terms of employment. I'm happy to hear the ministry is tracking that, and we'll have a discussion on it.

But I think we are running the risk of being turned away at the door when it comes to hospitals, particularly when specialized treatment is needed. This could be exacerbated when you think that the OHA is now negotiating contracts with 60,000 unionized workers; it could exacerbate the problem if those workers are persistent in high wage demands and job security demands. The reason we have to be concerned about that is that 75% of hospitals'

operating costs are in terms of wages, and while the government has limited the amount of money a hospital can receive, it's done nothing to limit the single biggest expense, and that is wages.

I've raised the matter of hospital management and funding in the Legislature on several occasions. I've asked the NDP administration to provide desperately needed planning direction for health care facilities and hospital boards. I've asked the government to provide a prescription that enables hospitals to plan for the future. I want to say that the PC Party of Ontario believes it is time the NDP showed some real leadership in terms of saving jobs and improving the state of our economy. Implementing wage controls would be an important first step towards preventing bed closures and staff layoffs.

In the area of long-term care, I think the responsibility of government is not only to handle immediate problems but to plan for the future as well. A case in point is certainly long-term care. It's no secret that Ontario's population is aging and the demand for long-term care will increase dramatically in the next decade. The government's long-term care policy or, rather, lack of policy at this point, is a disappointment to individuals who have waited more than three years for government direction.

The former Liberal administration released its consultation blueprint for long-term care reform, *Strategies for Change*, in May 1990. After more than two years of study, it then announced that it planned to spend an additional \$600 million annually by 1996. Under the Liberal plan, two thirds would go to community services, enabling individuals to stay in their own homes, and the remaining \$200 million was to go to long-term care facilities.

In June 1991, the current government announced \$647 million for long-term care and support services by 1996-97. As I gather, of the \$647 million, approximately \$200 million is to be spent in nursing homes and homes for the aged and the remainder, of almost \$440 million, is to be used to expand services in the community and in people's homes. We will be questioning the figure itself of \$647 million, because I'm not sure on what base that is premised, whether it's really additional money or the total dollar amount to be spent on long-term care over the next five years.

As everyone knows, on October 31, 1991, the government released its long-term consultation paper, *Redirection of Long-Term Care and Support Services* in Ontario. I would agree with Mrs Sullivan when she said it really is a replica of the Liberal plan with a few minor differences. I won't go into those differences because everybody's seen them, but I would say in this area that one thing I learned in attending a number of the consultation sessions is that not everyone, as you obviously know, Minister, is generally pleased with the thrust.

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One thing I really wanted to bring to your attention is that Simcoe Manor is in an area of my riding, down in the village of Beeton. It's a well-respected institution. Many of my relatives live there and several are on staff. That's probably how I won the election; half my riding's related to me. I was surprised at the end of the consultation evening. A couple of residents came up to me, and I guess I and the

ministry bureaucrats who were there scared the living day-lights out of them because they really felt that the message they were hearing from government was that they would have to move out of Simcoe Manor and go back to their farms. One lady said to me: "I've peeled enough damn potatoes. I've never had it so good. I don't want to have to go back to the farm and neither do any of my friends." It was a lesson to me that we have to be careful and that we cannot sell long-term care reform as a cure-all for our health care system.

I think it's obvious that reform is long overdue in the area of mental health. The ministry's goals and strategic priorities document indicated that the ministry plans to reform the mental health system. I have to tell you, Minister, I was alarmed at the omission of any mention of children's mental health services. The minister should be aware of the crisis in children's mental health services; I think you did mention that in your opening remarks. More than 10,000 children are on waiting lists for mental health treatment in the province, and the sad reality is that this has been the case since 1989.

I want to point out that the Premier, Bob Rae, in a letter to a Kitchener psychiatrist dated May 21, 1990, called the crisis in children's mental health services "shameful" and assured the psychiatrist that the New Democrats would fight to make the crisis a priority.

In the spring of 1991 the standing committee on social development, of which I am a member, released a report dealing with children's mental health treatment. That report was supported by all three parties. All witnesses presenting before the committee agreed that children's mental health services are in need of drastic restructuring. It's a shame that none of the report's recommendations has been acted upon to date. We will be pursuing this during the estimates process to see what plans the government may have.

In the area of ambulance services it will undoubtedly come as no surprise to you, Minister, that we are extremely concerned about the future of ambulance services in this province and your upcoming response to the Swimmer report. Private ambulance operators are concerned about their futures, and they have every reason to be concerned, I argue. They've witnessed NDP attacks on private child care, and to be perfectly frank, the private sector is frightened to death over what the NDP will do next.

The Ontario Ambulance Operators' Association has been an active and willing contributor to the restructuring of the emergency health services system. Within the province the association has encouraged the government to move forward with plans to make the emergency health system more responsive to the consumers and has pressed for a greater emphasis on training, safety and standards of service.

My colleagues and I share the concerns of the Ontario Ambulance Operators' Association regarding the Swimmer report. The commission approach recommended in the report will result in further bureaucratization and does not allow for an independent monitoring body which would ensure high-quality emergency health services. We are particularly concerned with the recommendation giving all ambulance employees the right to strike. This recommendation, if



implemented, has the potential to be extremely disruptive to our health care system.

We're also concerned with the recommendation that private operators be bought out. The reality is that the compensation plan will never provide adequate recompense for private operators who are being forced out of the system. This has been proven time after time in the child care sector. Finally, the cost of implementing such a system would undoubtedly be yet another unwelcome burden on the Ontario taxpayer.

Again, my caucus colleagues and I are extremely concerned with the Ministry of Health's treatment of commercial laboratories, and I note that Mrs Sullivan expressed similar concern on behalf of the Liberal Party. The ministry recently announced a new payment policy for commercial laboratories including a new utilization sharing formula designed to reduce payments to the laboratories by 50% when the number of tests grows by more than 2% per year.

I find it inconceivable that these decisions have been made without any consultation with commercial laboratories and that your administration has rejected offers of assistance in cutting costs from the association representing medical laboratories. The decision has created uncertainty in the business community and once again reveals the NDP's bias against the private sector.

Minister, you've also indicated that you plan to promote the use of public hospital laboratories. I would argue this would be extremely costly, as commercial laboratories can do tests cheaper than hospital labs. I have evidence proving this very point and will bring it forward during these hearings.

Rather than penalizing the private sector for providing a necessary service, I think the government should look at the root causes of increased expenditures. There's absolutely no reason why the private laboratory sector should be penalized for providing a high level of service. The reality is that patients are demanding tests with limited value, and the demographics of the province are changing. Private medical laboratories do not generate unnecessary tests.

I recommend that the Ministry of Health establish a dialogue with the Ontario Association of Medical Laboratories and the Ontario Medical Association to control and reduce the rate of growth in laboratory expenditures through mechanisms such as education and professional development, development of guidelines for testing protocols and a review of compensation models for lab services.

The Ontario drug benefit program and the changes to date in that program: Minister, I thought you'd maybe spend a little more time in your opening remarks on that, so I'll make some comments now and perhaps later in the process you'll be able to expand on the very vague remarks in your opening statement.

It's no secret that the expenditures of the ODB plan are out of control. We believe the billion-dollar program is in need of reform but disagree with the manner in which the government is going about making changes. The budget supplement paper dealing with health care announced the intention of the NDP to improve prescriber education, contain costs of drug programs and review legislation.

I think the reality is that most of these initiatives were announced more than a year ago. I really have to wonder what Ralph Sutherland and others of that political stripe consulting your ministry have been doing for the past year and a half. I agree that it's time for an overhaul of the ODB program. What I do not support is another study of the program which will only end up collecting dust in government libraries. I realize the NDP does not want to be seen as acting on the Lowy report because it's a Liberal document, but the Lowy report is the most recent of a series of government reports evaluating and assessing the ODB program.

What is now needed is consultation. Any changes to the plan must be done through consultation with both stakeholders and consumers. We know for a fact that you have not been consulting with innovative drug companies. I've met with several who have expressed their disappointment in this regard. We also know that you have not consulted with generic drug companies. This became evident through the comments of the president of a major generic company whose highly publicized comments made it clear that Manitoba is a more desirable place to do business than Ontario.

I'm also extremely dismayed to hear that the Ontario Pharmacists' Association is being ignored. Pharmacists are the profession who have to communicate changes to the Ontario drug benefit plan to their customers. All the government brochures and buttons announcing changes simply do not cut it. It's the pharmacists who are the front-line workers.

Both the budget and the health supplement paper give the impression that the government has been consulting with ODB stakeholders, but it's certainly a great mystery who precisely is being consulted when pharmacists, innovative drug manufacturers and generic drug manufacturers have been ignored by the administration. Again, I can't over-stress the importance of meaningful consultation. Ontario is the largest drug purchaser in North America, and other provinces follow Ontario's lead and insurance companies use Ontario as a standard.

#### 1700

The budget health supplement paper again contains a reference to a 6.6% annual growth in the dispensing fee paid to pharmacists. In fact there has been no 6.6% annual growth in the dispensing fee paid to pharmacists. The Ontario Pharmacists' Association has been without a fee increase since December 1990 and, as members will recall, the Pharmaceutical Inquiry of Ontario pointed out that the impact of pharmacists' fees on the ODB program are minimal. The reason why the total payout for professional fees paid to pharmacists has increased is because the number of claimants and utilization have increased, not because the fee for the pharmacist has gone up by 6.6%, which I think is the public's impression.

I share the disappointment of the Ontario Pharmacists' Association that the Ministry of Health has not dealt with these larger systemic issues. The association has rightly asserted that the NDP response has consisted of "simplistic, perceived easy targets, such as freezing the fees for pharmacists"; that's a quote from a piece of correspondence from the association.



I'd also like to reiterate the position of the OPA that on larger-quantity prescribing and changes to over-the-counter drugs, it is absolutely essential that the Ministry of Health consult to ensure that changes are rational and truly cost-effective and in the public interest. You yourself, Minister, mentioned some of the horrendous statistics about the overprescribing of seniors, and it leads us to the question that if you're going to give them more drugs per visit to the pharmacist, I don't know how that will help serve to stem the problem of overprescribing and the real dangers of seniors not only mixing up medication but also taking too many pills at once. When I was an assistant at the federal level—and I have summoned the studies—we did extensive studies on this and began the process of putting together a program for the nation in encouraging seniors to clean out their drug cabinets and better education in terms of taking drugs.

We've come to the conclusion, Minister, that you'd like to move towards the Saskatchewan drug plan model of universality. Any government would wrestle over user fees or, the more politically correct expression, copayments. Copayments are seen as contrary to the NDP position on accessibility to health care, yet without copayments universality will be extremely expensive.

We believe the cost-benefit models to evaluate the effectiveness of pharmaceutical products are long overdue, and we also believe pharmaceutical manufacturers could provide valuable data on prescribing for older patients if they were consulted.

It is our hope that the newly formed drug programs reform secretariat will be an effective and fair manager of drug programs. It's no secret that the drug benefit program is under review; Minister, you've made this clear, and I'd appreciate your assurances today that this reform will not take place behind closed doors. That's something I cannot overemphasize because, as I said at the beginning of my remarks, there is a real suspicion that a lot of decisions are being made in health care in which the public is not being included properly in the consultation and decision-making process.

In the area of insured health services, a number of insured health services are currently under review by the Ontario Medical Association and the Ministry of Health. I know my colleague Mrs Marland has a couple of comments to make and questions in that regard.

I think it's important that we reiterate, because both the government has and the Liberal opposition have, that we very much are supportive of the principles contained in the Canada Health Act and the principles of medicare. I will be questioning some of the statistics and numbers you've presented, Minister, with regard to federal transfer payments and tax points. I don't believe that in this day and age any of us should get away with pointing fingers at other levels of government, particularly when—and I'll be interested in the ministry's defence of its position—I do not believe the federal government has been an absconding debtor in terms of education and health care transfers. I'm certainly aware that the figures do not form an accurate basis for the NDP government's position on this.

**Mr Anthony Perruzza (Downsview):** I can't believe you're a member of the Ontario Legislature.

**Mr Jim Wilson:** One of the members interjects, but I think it's important that the public be given all of the facts all of the time, regardless of who the federal government is. It's an old political game to point fingers. If I'm wrong, I guess we'll find out during the estimates process.

In areas of legislation, during four weeks of public hearings numerous groups and individuals identified serious deficiencies in the consent to treatment legislation. I think their testimony convinced my caucus colleagues and I that the bills as written could not be implemented and would require substantial and substantive amendment.

To ensure that all interested parties would have ample opportunity to review and comment on the amendments, my colleague Norm Sterling moved a motion, opposed by the NDP in committee, to reconvene hearings two months following the date on which the government tabled and circulated its amendments. The government's amendments were released May 4, and because these amendments will, in our opinion, dramatically alter the legislation, Mr Sterling once again asked that a comprehensive new round of consultations be held. I am very pleased that the government has agreed to another round of public hearings in this area, and I commend the minister for that.

We will undoubtedly be tabling amendments in the upcoming weeks, and I guess we can say right now that we are pleased with many of the government's amendments to Bill 109—it's no secret—but we continue to have a great number of concerns with Bill 74, the Advocacy Act.

Under the Public Hospitals Act, I'm extremely disturbed with Jack Layton's appointment as a consultant or a political assistant or whatever you want to call him for public hearings into a new Public Hospitals Act. My experience of Mr Layton and what I know of him is that he does tend to have a fairly anti-management political stripe, and I think his presence could be—

**Mr Perruzza:** Have you ever met him?

**Mr Jim Wilson:** —extremely damaging to the consultation process.

Interjection.

**Mr Jim Wilson:** What? Well, I'm not here to make you feel good.

**The Acting Chair (Mr Larry O'Connor):** Order. Interjections are out of order. I'd ask the speaker to direct his comments through the Chair.

**Mr Jim Wilson:** I do not believe Mr Layton's appointment is a signal that the NDP intends to work amicably with the hospital sector, and this worries me because of a number of the other concerns I've expressed.

It's my hope that a draft of the public hospitals legislation will be circulated before it's introduced in the Legislature. I'd like to avoid a repeat of the legislative mess we came up against when we were dealing with the advocacy, consent to treatment and substitute decision-making bills. I want to make it clear to the government that committee is not the time to hold major public consultations. Rightly or wrongly, I came to the conclusion very early on in the committee process with regard to the advocacy bills and

the consent to treatment etc that a number of groups hadn't been truly consulted.

It would have been better, I think, for all legislators if the legislation had been circulated in draft form prior to an actual formal meeting of the committee, because what happens is that we really waste a great deal of our time and witnesses' time when witness after witness continue to make the same point and when the parliamentary assistant or any other representative of the government tells us: "Yes, we're concerned about that. Yes, we're going to change that."

My suggestion would be that if the draft legislation were put out first, before the committee was convened, a number of the problems that would be cited during the committee hearings could be cleared up and we could actually work in a more constructive manner during the actual committee hearings. The tradition of Parliament is that committee hearings are, yes, to hear from witnesses, but they're not to be part of drafting of the legislation. They are actually to fine-tune the legislation. When you see 199 amendments come in, I think it supports our contention that more work should have been done prior to the introduction of those bills.

Because the Public Hospitals Act is indeed an historic opportunity and an historic moment in the history of health care in Ontario, it will be contentious and there will be a number of groups and individuals who want to comment on it. Circulating it in draft form would be very useful.

Members will take note that we will be tabling questions likely tomorrow. So that the ministry has ample opportunity to respond to the questions, we'll try to give you as many of those in writing during this process and give you as much notice as possible. How much time did I leave for my colleague?

**The Chair (Mr Cameron Jackson):** About four and a half minutes.

**Mr Jim Wilson:** I'm sorry, Margaret, but the floor is yours.

**Mrs Marland:** Thank you, Jim. You are the critic.

**Mr Jim Wilson:** If I live long enough.

1710

**Mrs Marland:** I'd just like to discuss a couple of my concerns as the spokesperson for people with disabilities. Obviously, in that particular responsibility I have a lot of concern about the long-term care reforms that are proposed by this government. I'm hoping the minister will be able to answer some of those concerns.

One of the major areas that we feel the minister has to look at very closely is that the proposals in the long-term care reform white paper would in fact end up putting seriously disabled people together with seniors who are frail and elderly. Although in a physical sense they may have some of the same needs, really they are two totally different groups. The disabled community, Madam Minister, wants to be treated with regard to its specific needs and to have its own specific needs addressed. In fact, quoting Barbara Thorner, the executive director of the Ontario Association for Community Living, she says, "Our major concern is the obvious exclusion of people with developmental

handicaps in the stated definitions of disabilities." Further in the same area of comment is the concern of putting seniors and people with disabilities together in any of the plans for the long-term health reform.

I would also like to draw to the minister's attention an excellent response to her long-term care reform paper which was sent to her in March by the residents' council of the Mississauga Hospital. This is a particularly significant response that I hope your staff will review closely, because the response comes from a group of approximately 75 citizens who are each individually knowledgeable in the existing health care services for the elderly disabled, and they focused together on this combined response. In particular, I want to mention that the leadership for this residents' council at Mississauga Hospital was given by Kathy Harvey, who is a registered nurse and the multiple sclerosis society citizen of the year, 1991. This Sir Joseph Flavelle award is actually a national award, and she's been recognized provincially. Kathy is a very unusual person because she's been a quadriplegic since she was about 34 and she has a tremendously long list of community involvement. Her approach to the subject has been really unbiased and very objective. When you read some of the recommendations from this group, I think you'll agree that it's very valuable comment and feedback to your white paper.

I think also it's important for you to hear what the Alzheimer people are saying very loudly and clearly. Particularly in Peel, the situation is critical. There are 1,184 legislated nursing home beds, no chronic care hospital and over 1,300 people on the waiting list for beds. In Peel, we currently have 40,000 seniors, and within 10 years we'll have over 90,000 seniors. At the moment, the minimum waiting period for a nursing home bed ranges from six to 18 months.

I think the important area you have to really look at—and we would like to know the answer to this—in your plans for the reform of hospitals to community-based care, where is that care going to be when there are no nursing home beds planned, and how are you going to handle the need for those services, again between the seniors and the disabled?

I can't help but ask you the question, which is very critical to the people in Ontario, about just how far you're going to go as the Minister of Health in playing God as to which services you will make available as fully accessible to anyone in Ontario, not only people who are rich and can afford something but also people who don't have the money and can't afford something. As far as we're concerned, some of the services we are told that you are looking at delisting mean we will have an even more visible two-tier health system than we have today. We know we have a two-tier health system today. We know that if you've got the money you can go elsewhere, out of this province, out of this country, and access some health services that you can't get quickly enough still today in Ontario.

Regarding the statement by your deputy minister, Mr Decter, about perhaps curtailing bypass surgery after age 70, I have to ask how you're going to make these decisions about what services will be available and who will get them. Will you sit back like God and decide that 60 is the latest for a kidney transplant and 65 for a bypass or whatever? I wouldn't



want to begin to play that role and have that responsibility. While you're looking at some of the programs that you're considering delisting—and we can only go by what we've been told and that's why we'd like to ask you these questions and have these answers—I would like to know how you can consider funding abortion clinics on the one hand and look at delisting some other reproductive technologies on the other.

When you're looking at questions we need answers to, we need to be able to tell our constituents and your constituents in Ontario where it is we're going to be with full access to services that are equitable for everybody and not a matter that if you've got the money you can go and buy that service, either within the province or without. A platform that has been in the ideology of your party for ever is that the reason we prohibited extra-billing of physicians was because of the thrust in this province to have equal access to health care. We don't have it today. We have a two-tier system today and I hope you're committed to removing that rather than enlarging it.

**The Chair:** Thank you, Mrs Marland. I know I was delighted to have my vasectomy done a few weeks ago before I read your announcement in the paper, Madam Minister, but I'm sure that issue might be raised as well.

Interjections.

**The Chair:** Oh, is that a procedure? It sure didn't feel like a procedure; it sure didn't hurt like a process either.

We have completed the opening statements. Madam Minister, we're now in your hands and you have up to half an hour to respond, and that will take us very close to the point at which we'll be ready to adjourn, hopefully.

**Hon Ms Lankin:** Let me start by saying that I appreciate the thoughtful comments that were made, and even though some of the comments, I would suggest, are perhaps overly provocative and unfounded I'll respond to those. I think by and large much thought has been put into the comments members made, and the concerns you've raised are legitimate concerns about which we need to be always vigilant that we are addressing and keeping in the forefront of our approach to reforming the health care system and meeting the needs of the population. I appreciate your opening comments and will be interested in following up with you on many of the points you raised in detail when I receive your more detailed questions.

A couple of things: If I could just start where we were finishing off and correct the record yet again, although people don't seem to want to absorb the correction of this record, I would say to the Chair that I never made an announcement that vasectomies would not be paid for. so reference to an announcement made is not correct.

May I say to Mrs Marland that the deputy minister in fact has never, ever made a comment that we would not pay for bypass surgery for elderly citizens of our community? I know there have been many press reports speculating and stating that it has been said, but it was never said. I think what happens sometimes in our system is that when questions are raised people extrapolate answers from that and run with it and create concerns where concerns shouldn't be. We have never said that we are thinking of not paying

for bypass surgery, and it's not even something that I would suggest is the approach to take.

1720

What we have said, and this would apply to all sorts of issues within our health care system, is that it is important that in our health care system we start evaluating the health outcomes of the resources we expend. So, for example, we have invested, along with the Ontario Medical Association, in the establishment of the Institute for Clinical Evaluative Sciences for us to try and get some very good epidemiological results to support decision-making with respect to expansion of programs or shrinking of programs we have.

What are the health outcomes of the moneys we expend? I think we can always find exceptions and we can always find even emotive arguments to put forward as figures to say: "Don't even look. Don't touch, don't think, don't question." I don't believe in our health care system today we can continue on saying, "Don't think, don't look, don't question." I believe we do have to have some very concrete data to be able to help us make decisions in the future.

I hope to be able to assure you today and as we go through further questions you may have that I am not on the verge of making, as you accused—this was not a question; you accused—God-like decisions. That's not the approach I would take to delivery of health care services.

What I think we do have to do, though, is reform our decision-making so we do needs-based analysis, we try and deliver services to meet those needs, we evaluate the services we are delivering to see whether they're meeting the needs, see what the health outcomes are and apply that kind of rigour in planning.

That's going to take us a while to get to. I don't think we should be making precipitous decisions along the way, and I hope to assure you of that, but as I've said on a number of occasions, I don't want to be deterred from being able to ask questions about what we're doing in our health care system, about the appropriateness of some of the things we do, and allowing us, with the medical professions, other health care providers and consumers, to discuss appropriate health care services and the priorities we have. Those discussions will unfold over a much longer period of time than short-term decision-making.

I take your point that there's much concern about the speculation that has been out there in the community and the press, and I don't underestimate that concern. I think it is a very valid point for you to raise and I hope to assure you that my approach will not be to precipitously make decisions around delisting of massive numbers of services or around age cutoff for accessing services. That's not the approach we will be taking. Decisions that we will talk to people about or recommendations we will talk to people about will be based on good health epidemiological data which will, I think, provoke debate among people.

To give you an example, the work that was done around guidelines for cholesterol testing: That wasn't a situation of delisting anything, but it was a suggestion to the medical profession that the kind of cholesterol testing numbers and volumes we had been seeing in Ontario and the escalation of that had much more to do with the marketing of this kind of testing and the fad of a preventive health



notion that went along with that when in fact it didn't deliver with respect to a preventive health care initiative and there were very good epidemiological guidelines that could be developed which we hoped would sway provider patterns of practice with respect to ordering these kinds of tests, helping people avoid going through unnecessary tests, educating them about ways to remain healthy and to be able to avoid cholesterol problems, telling them when they would be appropriate candidates for screening of cholesterol problems and having a cost-effective delivery of service as opposed to a wide-open, "My gosh, I've got to get my cholesterol tested; let's go in there," and we see all of a sudden a huge increase in volume of tests for which we don't get good health outcomes back as a result. That kind of questioning I think is really important for us to be able to undertake.

Margaret, to continue on with the issues you raised around long-term care and particularly your comments around persons with disabilities in that community, I agree with you completely. We heard in spades during the consultation that the community felt the document and felt government policies were missing the boat with respect to understanding the unique situation and needs of persons with disabilities. The access to a long-term continuum-of-care system for persons with disabilities needed to be thought of in a different framework from our seniors. There would be parts where there would be similar services accessed, but particularly the issue of individual control and self-direction of access to services by persons with disabilities was very strongly articulated. We've heard that, and in our consideration of the recommendations coming out of the consultation we're looking at what we can do to try and address that through policy development. I agree with you. I did hear that and the other ministers heard that. We are trying to address it.

You also mentioned the issue of persons with mental disabilities and particularly the spokesperson from the Ontario Association for Community Living. Their voice was heard during the consultation and in fact long-term care redirection doesn't address their needs. That's right; the direction wasn't designed to. It was designed to look at seniors and persons with disabilities, but not the broader group currently under the Comsoc umbrella in terms of the association for community living establishments, residences and persons with mental disabilities. The other group this doesn't address is medically fragile children. Those are policy problem areas for the government.

**Mrs Marland:** But they do require long-term care, don't they?

**Hon Ms Lankin:** Yes, and I think that as we envisioned long-term care both in government generically—I'm saying in the previous government and in this government—and as we've talked about it in society we have focused on the two groups that have been the most readily identified users of long-term care services and the ones we can start to build a system for. I think it's important for us to acknowledge that the plan we have been working on and the moneys set aside do not address these

other two groups, and government will have to find a way to develop public policy around this.

The issue of medically fragile children in particular—the demand to bring children home from institutions; to keep them at home; to have the in-home nursing support; the strain on public resources that you could envision if we met the demand in terms of the numbers; the very real policy issues of keeping families together and of trying to deal with these situations to allow families to provide for family members, children in particular, and their other children; also to try and deal with the real issues around the quality of life in an institution versus a home, palliative care in some circumstances—there are a lot of issues that have not been addressed in government policy.

I am not in a position to immediately move to address those, but I think they've been brought home very clearly in this consultation and in the events of the last number of months around some experiences with individual families that we have seen. I think it's a troubling area of public policy that government needs to find a way to address, and we need to be talking about how to do that.

If I could respond to some of the comments the critic for the third party raised—Jim, let me say I found it hard to follow some of your comments because—

**Mr Perruzza:** That's an understatement.

**The Chair:** Excuse me, Mr Perruzza, please. You weren't even in the room for most of it. I'd like you to please cooperate with this committee.

**Mr Perruzza:** For most of what?

**The Chair:** For Mr Wilson's comments.

**Mr Perruzza:** Mr Chairman—

**The Chair:** I'm not asking you to comment.

**Mr Perruzza:** On a point of order, Mr Chair—

**The Chair:** You have a point of order? What is it?

**Mr Perruzza:** My point of order is that you're leveling what I think is an unfair accusation. I was in the room for Mr Wilson's full discourse.

**The Chair:** That is not a point of order. Mr Perruzza, please. It's constant with you. I'd appreciate your cooperation.

**Mr Perruzza:** I'd appreciate yours, quite frankly, and I think it's a little unfair for you to say stuff like that. You weren't in the room.

**The Chair:** Mr Perruzza. Thank you. Please proceed, Minister.

**Hon Ms Lankin:** I mean this genuinely in that I think there are contradictions in some of the things you have said. Perhaps as we go through the questions we'll be able to work through some of this.

**Mr Jim Wilson:** My correspondence doesn't always come in in logical order.

1730

**Hon Ms Lankin:** I'm sorry. In fact, you did indicate that your comments reflected a large range of views you have heard and that they were not necessarily your own. I'm glad you reminded me of that because I think that's fair. Let me say, then, not your criticisms but I think some

of the comments we hear in terms of people's concerns, some of which you've reflected, contradict each other. If they come from a wide range of sources, that's to be understood.

Perhaps I'll just go through and point out some of those contradictions. They would therefore present to me issues that we need to try to resolve and determine ways of going, but for example, I think you did indicate that the Progressive Conservative caucus felt very strongly about saving jobs in the hospital sector, and you tied that concern to what I found to be an amazing statement about your concern that if workers in the hospital sector continued with—I'm not sure if you used "excessively" or "outrageously high," or there was some adjective therein describing the wage demands as high.

I wonder where you're getting your information. In fact I have a fairly good idea where you may be getting that information, and suggest to you that you dig behind and find out what has actually been happening in negotiations in this province. If you followed debate in this, you'd see that the workers, represented by their unions, have been voicing publicly their desire to find negotiated settlements in which they're willing to settle for very low wage levels, and they're looking for movement from their employers on issues of job security and trying to address some of those real concerns.

Those are the sort of tradeoffs that I think are very constructive in the kind of leadership government has tried to provide, both in its own negotiations and in its suggestions to public sector partners in restructuring dollars being available to try to address that. It takes two to tango, and we haven't seen much dancing happening at this point unfortunately.

I find it interesting also that you go from there to say immediately, therefore, that the Progressive Conservative caucus suggests that what needs to happen is imposition of wage controls. Presumably you didn't suggest that we should go out and consult with the workers about doing this, but you lambasted in your comments again—I think you said from the Progressive Conservative Party as opposed to the other concerns that people may have written to you about—what you call lack of consultation with commercial labs; what you call lack of consultation with pharmacists.

You're concerned that we froze fees for pharmacists, yet you're willing to simply suggest: Go out and legislate wage controls. You're concerned that we have restructured the way in which we're making payments to commercial labs, and yet again, it's fine for us to go out and legislate wage controls. I would suggest that there are contradictions in your position.

Now let me deal with the concerns that are behind—

**Mr Jim Wilson:** No, it's wage controls versus do you want your job or do you want more money.

**Hon Ms Lankin:** Mr Wilson, at this point in time I do think that I have the opportunity to respond to the comments that you made.

**The Chair:** Mr Wilson, through the Chair, please.

**Hon Ms Lankin:** Just let me pick up on the point that you made. I think government has said very many times that what would be desirable is a balanced result in collective

bargaining which produces low wages but which gives workers some sense of job security. We've attempted to facilitate that with the worker adjustment fund. It has to be a negotiated settlement in which parties are willing to negotiate.

I think, Mr Wilson, that if you're suggesting a legislated solution, the solution needs to be to the problem. If workers are suggesting that they're willing to settle for low wages, then wages aren't the problem. Perhaps you need to look at what is the barrier to getting an agreement if it's on job security. Maybe your caucus would like to suggest that we have a legislated job security package that might resolve situations out there. I don't hear you saying that.

**The Chair:** We will be doing Labour estimates some time in the future, Minister. We should stay with the Health estimates.

**Hon Ms Lankin:** That's a helpful suggestion, Mr Chair, and I will follow your lead on that.

With respect to commercial labs and pharmacists and your comment about consultation, I want to assure you that there are processes going on in both areas in which those parties are involved. We have initiated a review of the laboratory sector and the commercial labs. Last year we had suggested a certain revision to the fee structure. They came with alternative suggestions. We implemented their alternative suggestions, so it's incorrect to say that there haven't been discussions.

What we have now is a situation where we believe there is room for restructuring of the kinds of payments to the commercial laboratory sector to allow for discounting where there is high volume, where there are lower unit costs as a result of consolidation, new technology, other sorts of things in the commercial sector. We think there should be a share for the taxpayer in that it's not just a move for profit generation, and that's the move that we've taken, but we do hope that in our discussions with the commercial laboratory sector and the hospital laboratory sector through the lab sector review that in fact we will find many other useful suggestions from the sector that we will be able to work with it on implementing.

With respect to the Ontario drug benefit program and pharmacists, I indicated in my remarks that the drug utilization review is being initiated with a task force round table group that will be representative of the generic drug industry, the brand name drug industry, pharmacists, the medical profession, consumers, seniors, nurses. We have a broad range of people who are coming around that table who are part of that, so that consultation is there.

You suggested that we didn't want to be seen to be acting on Lowy because it was a Liberal report. Quite the opposite. I think there are many very important recommendations in Lowy, many of which we've already started to implement, we've implemented last year and we're in the process of implementing and will continue, and also from the process of discussion and consultation with our partners further recommendations, I'm sure, will come forward that we will include in that. I don't see any benefit to the people of this province to take some kind of a macho approach that we don't build on good ideas of former governments.



It's not the way I operate in this position, and I think I have made that clear with respect in particular to the Lowy report on a number of occasions.

You also commented that not everyone was pleased with the thrust in terms of long-term care. I'm surprised to hear that, because in fact what we heard when we went out on the consultation was a tremendously high agreement with the philosophical thrust of what was being suggested in the general principles. There are criticisms with respect to certain aspects of the proposal, and I acknowledge that, particularly the structure of service access agencies, service coordination agencies, what role they play, whether or not they duplicate other structures that are already delivering service, whether they become a barrier, how do you coordinate single access points but without taking away from the role that's already been established in communities—there are tremendous concerns about that.

There are other areas that as we do some of our policy work I'll be able to inform members of the Legislature with respect to the concerns we heard. We'll be releasing a document we're working on now to send back out to people of what we heard them saying in the consultation to combine the results from across the province, so you will see those criticisms outlined. I do agree that there are criticisms, but I think it is important for us to realize that the basic thrust of the proposals in fact has met with very wide approval.

Also you made some statements that we now run the risk of being turned away at the doors of our hospitals, especially for specialty services. I think as we get into the vote-by-vote considerations you'll need to be much more specific about what your concerns are. In fact I detailed in my opening comments a \$49-million enhancement to many important specialty services, the creation of new registries to try and have in-province referrals to better utilize our services and the way in which we have managed waiting lists for many specialty services.

In fact the exact opposite is the truth of the situation, yet it's very easy to perpetuate this myth that somehow, because acute care hospital beds that are no longer needed in our communities are being phased out, there is lack of access to services or there are huge waiting lists. The data don't support that, so I think it's very important for us to be specific. I'm referring to your comment that in communities there is a risk of being turned away at the door of the hospital, especially for special services, which I've written down directly from your comments.

With respect to ambulance services, I appreciate the comments you've made and the concerns you've raised. As you know, the Swimmer report is currently out being responded to by communities at this very time. I expect a final report from Professor Swimmer with any changes to his recommendations in about a month's time and I'll be in a position to respond at that point in time with respect to government intent on the recommendations.

Children's mental health services: I agree with you completely that it is a major area of policy in delivery of service that needs to be addressed. I remind you that perhaps you should be addressing it under the Community and Social Services estimates, that the majority of the services are delivered in Comsoc, not in the Ministry of Health.

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I see one of your political aides shaking her head, but in fact children's mental health services are delivered through Comsoc. You might want to check that out. Psychiatric services are delivered through the Ministry of Health and we have a problem in the delivery of those services. I think from our experience with the out-of-country referrals—this will be interesting for people; I'm not sure that we had a general awareness of this—as we see the requests for prior approval to go to out-of-country services, the issue of children's psychiatric services becomes clear, the gap that exists in the Ontario delivery service network. It's an area we need to move on and to act in a much more coordinated way with Comsoc.

I am pleased to tell you that the Minister of Community and Social Services, the Minister of Education and myself are developing a coordinated approach towards the delivery of these services because they do cover three portfolio areas, although right now the major responsibility is within Comsoc.

In response to the critic for the official opposition, could I just, before I start into this, check on how much time I have?

**The Chair:** You have five minutes.

**Hon Ms Lankin:** Then I'll have to give most of my responses to the remarks from the official opposition as we get into the specifics of the questions and the vote-by-vote.

I want to say to both critics that on your request for more information on federal transfers in relationship to the Canada Health Act, we'll be pleased to provide it. I would ask you to look at the actual transfer to hospitals this year. You've both referred to the 1%. One per cent was the economic adjustment to the global budget, so the transfers this year have increased by 3.4%, and those are to address growth pressures, to address program pressures, and those are important transfer dollars as well that become targeted dollars as opposed to just general global budget adjustments. I think we will need to look at that.

I appreciate the comments of the critic of the official opposition with respect to labour adjustment in relation to services in the community, training for community jobs, new jobs in the community. You expressed a concern that the fund wasn't flexible enough perhaps to address that. We think we can address those very issues working with the stakeholders around the table, identifying the kinds of job growth in the community sector and funding appropriate retraining. That training could be provided through the Victorian Order of Nurses or through those other agencies.

As new jobs are being created in the community and new organizations are being established for delivery of care, we've also been looking at the issue of our ability in those communities to assist the transfer of people from institutional jobs to fill those new jobs that are being created. We think that's a responsibility and a challenge that we should be attempting to undertake and we are currently in discussions about that.

Your comments about various health system reviews and how long it takes to get responses from the ministry is a true echo of what I hear when I go around the province



and deal with people's concerns. I would just comment that their concerns for this haven't just begun in the last couple of years; this has been a chronic problem with respect to asking communities to jump through hoops of planning and then not having the ability or the capacity to be able to respond to it.

I think that through our attempt to reorganize the ministry in terms of bringing together the major groups that can deal with health planning and strategic planning and being able to revamp the way in which our institutional planning is working to relate to the health systems planning group, we are hopefully going to start to address that and be able to respond to communities in a much more expeditious fashion. I think that concern is a very valid one and it's one I share.

There are a number of other things we can get into in detail with respect to the database study for physicians. You talked about CHEPA. There was work that had been done at the University of Toronto before that that we've looked at. We can answer some of those questions.

I want to particularly comment, however, on your remarks about health service organizations, and I understand. If you listened to the comments raised by the Caroline group, a group practice, I understand the nature of your concerns. I think there are many very good group practice HSOs, which we've tried to address through the course of the discussions about renegotiation of the HSO contract, but you yourself talked about the importance of a multidisciplinary approach being delivered through HSOs.

In fact, what we found out when we examined the program was that outside of the few group practice and community-based practice HSOs that were there, that were innovative and were delivering programs through a multidisciplinary mix, the majority of the growth in the HSO

sector were solo practitioner practices that didn't meet the goals of the program, even the way in which your government had designed that. In fact, they were costing us, on average, more than a fee-for-service physician. We were seeing that incentives under the ambulatory care incentive program were being paid out to those physicians for people who were being prevented from going into the other system by virtue of the case load that they were carrying.

We have renegotiated the contract with the HSOs. I hope that when it's ratified and you see the results of that, you will agree that there is a tremendous support indicated by that agreement for the concept of alternative payment and delivery of community-based services with a multidisciplinary approach. I'm hopeful that by the middle of this month, following ratification, we'll be able to share the results of that with the House.

Mr Chair, with a five-minute bell running, I'll close my remarks at that and indicate that as we receive questions and notice of questions from the members, and their order of preference, we'll do our best to have staff available to respond to those questions over the course of the remaining hours in this estimates review.

**The Chair:** Before everybody races away I have one short announcement, and that is that it would helpful if we were able to start on time tomorrow. I ask all members if they could please be here. Second, we need to give consideration to ordering up the process of how we'll proceed, whether it'll be by time allocation or open questions. Would the members consider that and advise me before the committee hearing starts?

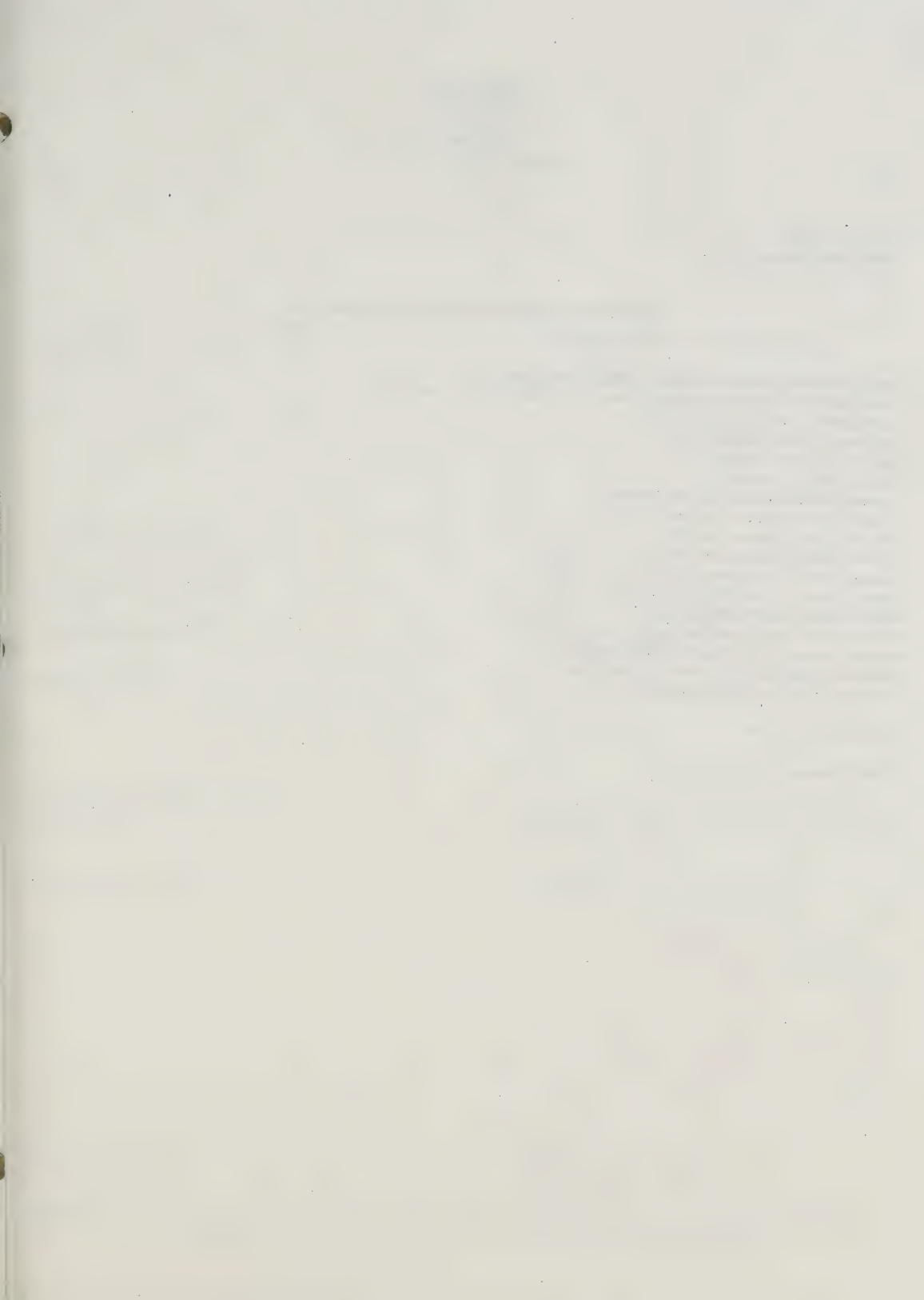
This meeting is now adjourned to reconvene at 3:30 of the clock tomorrow.

The committee adjourned at 1746.









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Ministry of Health

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# LEGISLATIVE ASSEMBLY OF ONTARIO

## STANDING COMMITTEE ON ESTIMATES

Wednesday 3 June 1992

The committee met at 1547 in committee room 2.

### MINISTRY OF HEALTH

**The Chair (Mr Cameron Jackson):** I'd like to call to order the standing committee on estimates. We're reconvening the estimates of the Ministry of Health. Of our 10 hours, we have seven hours and 48 minutes remaining. When we adjourned yesterday the first round had been completed with opening statements and the minister's response. At this point, I would like to begin by asking the committee how they wish to proceed with the second phase of estimates. Mr Sorbara, you're never at a loss for words.

**Mr Gregory S. Sorbara (York Centre):** I'd like to hear the statement again; I hear it was so good. I wasn't able to be here so maybe we could just have it again. It was an award winner.

**Hon Frances Lankin (Minister of Health):** I'd probably even make it longer this time.

**Mr Sorbara:** I'm at your pleasure, Mr Chair. I'm sitting in here for our critic who couldn't be here, so on a number of occasions I'm going to defer questions so that some of the time can be spent by Mrs Sullivan, who is far more knowledgeable on these estimates than I am. But I'm at your disposal and I would be willing to cooperate in any way possible to complete this ordeal.

**The Chair:** Your enthusiasm is noted. We could proceed with time allocation by caucus or with just general questioning, or with the Chair proceeding with supplements, and we could work in various areas of the estimates. But unless the Chair is given guidance by the committee, the Chair will rule.

**Mr Jim Wilson (Simcoe West):** Mr Chairman, my preference would be to go by time allocation by party and to proceed as the estimates briefing book is outlined, through each vote section, and ask the specific questions in each section.

**Mr Larry O'Connor (Durham-York):** Thank you, Mr Chair. I guess we have this discussion every time we have a new minister before us and there's always a little different procedure taken every time. The Chair has been fairly accurate in keeping time and making sure that all caucuses have an opportunity to speak, so I'm willing to leave it in the hands of the Chair. It might be a little easier for us MPPs who aren't as aware of the ministry as perhaps our critics are, and we may ask questions that don't necessarily follow within the votes and might throw us off a little.

**Mr Sorbara:** Or make any sense.

**Mr O'Connor:** That too.

**The Chair:** I would recommend then, given that by prior agreement we will be adjourning today at 5:30 there are roughly three half-hour blocks at our disposal. If that is your pleasure it will get us through today. Perhaps we

could begin with Mr Wilson. We would attempt to follow the three prescribed votes in the estimates but we would as usual stack the votes so that any member wishing to go back into a section may do so during the remaining seven hours and 40 minutes of estimates. Is that agreeable to the committee?

**Hon Ms Lankin:** Could I ask a procedural question?

**The Chair:** Certainly.

**Hon Ms Lankin:** I just wanted to check with respect to some of the questions that were raised in the introductory statements by the two party critics, whether for example Mr Wilson, who is going to begin today, would like to officially and formally table questions that he wants answers to, or whether at this point in time he would like me to answer orally any of the questions he may have alluded to or raised in his remarks. I just wasn't sure whether he would be following up those specific questions in a vote-by-vote way.

**Mr Jim Wilson:** My intention is to go through the sections as outlined in the briefing book and to raise questions on a need basis stemming from my opening remarks. The ministry will have the opportunity as we proceed to answer those specific questions.

**The Chair:** For clarification on the procedural question, it is helpful where staff have been asked to prepare certain responses that they be done in a written form where possible; they can be distributed to the members of the committee, and this assists everyone and serves the time of the committee best. If any of those responses which are written are immediately given to the clerk, he can then in turn distribute them. That is the most helpful procedure for the committee.

**Hon Ms Lankin:** Then, if I understand, what we may do this afternoon as questions are tabled, if we can answer them directly at this time I'll undertake to do that; if we can provide further information or we don't have the answer with us today, we will provide that at a later date in writing.

**The Chair:** That's agreeable. I appreciate your cooperation in that regard. If we may then, Mr Wilson, if you'd like to proceed.

**Mr Jim Wilson:** Minister and colleagues, I propose to start on page 39 of the estimates with vote 2001-1 and ask a number of really technical questions on ministry administration, communication services, the operating budget. It is my understanding that \$513 million in salaries and wages has been budgeted in 1992-93. My first question is, could you tell us how many people this figure encompasses for each of the three programs—ministry administration, health system management, and population health and community services—and the average salary of those employees? I'd also request the breakdown for each of the last five years.

**Hon Ms Lankin:** Do you have these questions in writing as well? We're taking notes furiously as you're speaking very quickly, but if you have them in writing that would also be of assistance to us.

**Mr Jim Wilson:** Yes. I know I mentioned yesterday that we would try to table them in advance, but it may take us a few more moments to get them actually photocopied and to you, Minister. We'll endeavour to do that. I know my colleague Margaret Marland has questions too.

**The Chair:** If I can make a point here, it's important, first of all, if Mr Wilson wishes questions to appear on the record of Hansard that they be read into the record. To the extent that he wishes to give you prior notice of those questions he will endeavour to do so, but simply tabling questions will not appear on the record. I remind members that that is part of the process if that is what they wish to do with their time in estimates.

**Mr Jim Wilson:** I will attempt to live up to my commitment of yesterday. Unfortunately I don't think it would be possible to have them today; we had a very busy evening last night and a very busy day today. We will attempt by the next time the committee meets to actually have the specific questions, but for today I think you're going to have to bear with me in entering them on the record and trying to answer them with whatever information the minister can provide.

**The Chair:** This half-hour is your time, Mr Wilson. Please proceed.

**Mr Jim Wilson:** Those are my questions, Mr Chair. Do I expect an answer from the minister as we proceed or—

**The Chair:** Minister, you're invited to respond.

**Hon Ms Lankin:** Without prior notice I am not able to give a response as to what the records are of employees' salaries and average wages and numbers over the last five years, so we will have to respond in the next sitting.

**Mr Jim Wilson:** In this section I guess what we're in a general sense quite interested in is the number of employees. Perhaps you can tell us, Minister, in general terms what the increase has been in your staff relevant to this section and the cost to the taxpayers. I assume you have notes on the vote item. Perhaps you'd like to comment in a general way on increases in staff over the past time you've been in office.

**Hon Ms Lankin:** I can tell you in general terms that the administrative vote within the ministry is one we have spent considerable effort in looking at how we control and how we'd make better use of dollars in that area.

One of the things that has been difficult to determine as I have tried to look at this vote line is the actual number of people who are employed working doing work, because as I started to uncover years of salary restraint that have been applied across the Ministry of Health, I found that much of the work was in fact being done by consulting physicians and being paid out of ODOE dollars, other direct operating expenses, rather than salary dollars. That was very noticeable in the information technology area, and I think you referred to that as one of the areas you had some interest in.

You will see in breakdowns a dramatic decrease in moneys within that area. We're looking particularly at the strategic plan for information technology and at a complete revisiting of the directions the ministry was headed and the way in which we accomplished that. So you will see a major decrease there, and a large part of that is doing away with consulting physicians that were in fact performing full-time work. We're attempting to convert some of those to full-time positions where that's what they were—they were working side by side with civil servants but being paid at a higher rate, at a consulting rate—trying to ensure that those dollars are secured in the salary lines but trying to get at an accurate reflection.

The deputy, in the reorganization of the ministry, has also given an indication to his senior management to work over the next year to two years to look at the issue of organization and layering of management layers within the ministry to determine if there are areas in which we can more efficiently utilize staffing resources. You'll know, of course, that this is a goal right across all the ministries which has been announced by the Chair of Management Board, and we will be working on a plan to comply with that direction as well.

**Mr Jim Wilson:** But in your ministry's administration program, I find it slightly ironic that the ministry is projecting a 1.2% increase over last year overall and that you've budgeted for a 13.7% increase in the offices of the minister and deputy minister for this year. It's a tremendous rise in costs.

**Hon Ms Lankin:** Can you point to the actual vote line you're referring to so I can stay with you?

**Mr Jim Wilson:** It's contained in the vote section; I can't give you the actual vote line at the moment, but the figures are accurate. Let's do it in a general way then. There appears, anyway, to be a tremendous increase in administration costs for both your office and the deputy's office. 1600

**Hon Ms Lankin:** I think in general terms that that might be explainable if you're looking at estimates to estimates, or more particularly actuals to estimates, over the course—

**Mr Jim Wilson:** Actuals to estimates?

**Hon Ms Lankin:** Actuals to estimates. I think it would be entirely explainable as the period in which both the deputy and I were new to the positions last year and were in the process of hiring staff into the positions. In both offices there were vacant positions for a time, so there were actually significant dollars saved in last year's envelopes for those two offices; there was underspending. So when you see estimates over the actual spending, what you will see is what appears to be a dramatic increase. It's actually spending to the envelope level.

**Mr Jim Wilson:** You mentioned in the House, in response to the questions regarding the hiring of Jack Layton, that you have an envelope assigned to your office for staffing. The question I wanted to ask you in the Legislature in response to the answer you gave there was, do you feel compelled to spend all of the money assigned in the envelope?



**Hon Ms Lankin:** No. In fact, as you can see, in the estimates last year compared to the actuals, you'll see there is—

**Mr Jim Wilson:** Yes, but that's last year. You're projecting a tremendous increase for this year.

**Hon Ms Lankin:** If I could answer your question, Mr Wilson; you'll have to listen in order to hear the answer.

The actuals last year showed an actual underspending of the envelope for the minister's office. The estimates this year indicate again the envelope and the amount that will be spent under that envelope will only be determined by the time we get to the end of the year.

I can tell you that I'm not staffed up to full complement. That's one of the reasons we have undertaken to hire Mr Layton in a consulting position for 30 days to assist us. I expect to continue throughout the course of this year to manage the budget of my own office as effectively as I can, and if I can achieve underspending again, I will. I don't think it will be to the degree we saw last year, because I should be fair and point out that a significant part of that was because of a number of positions it took me a while to hire staff into when I came new into the portfolio. But having said that, there are still positions we have chosen not to fill. We have not hired up to the full complement that would be possible under the minister's envelope.

**Mr Jim Wilson:** I gather from that you would have fewer special assistants and that direct political aides to yourself would be fewer in number than perhaps the Liberal administration that preceded you.

**Hon Ms Lankin:** I think you would have to look at two things. Since the change in governments, there has been a restructuring of the ministers' envelopes, depending on the size of the ministry. Before that they were a standard size, whether it was a small ministry or a large ministry.

Second, under the Liberal administration there was a significant practice of bringing people into the civil service and seconding them into the minister's office as political staff but being paid through the civil service; they didn't appear under the minister's envelope. But sometimes people were actually civil servants who were seconded into the minister's office, so I don't think you would be able to do an actual person-to-person or envelope-to-envelope assessment that way.

I would indicate that as a result of the change in the structure of ministers' envelopes reflecting small and large ministries, however, the Ministry of Health does have more political staff, special assistants, assigned to it now than it has in the past, and some small ministries would have less.

**Mr Jim Wilson:** How many would you have?

**Hon Ms Lankin:** What I can respond to you with—and I don't have the number in my head—is what the standard minister's envelope provided when we came into government in terms of the number of special assistants, and the revisions that were undertaken and the increased number that provided to the Ministry of Health.

**Mr Jim Wilson:** Thank you. I think Mrs Marland has a question.

**Hon Ms Lankin:** We do have a couple of other answers the deputy could provide that might be of assistance in response to your questions.

**Mr Michael Decter:** Just in explanation for the \$2.7-million increase, 1991-92 estimates to 1992-93, which is a \$4.5-million reduction from the 1990-91 actuals and is a very modest increase from last year's interim actuals. We're actually flat between the two years on what we actually intend to spend and we're down \$4.5 million from the year before last.

The major component of the \$2.7-million increase, \$1.5 million of it, is a conversion inside our information technology division. We had been relying to a substantial degree on contracted staff. We have accepted a proposal from that division to convert a significant number of staff, at a cost of \$1.5 million, to regular public service. That will save us, I believe, roughly double that amount on the contract side. It's plus \$1.5 million in this line and minus \$3 million in the vote for the information technology division. That is the single largest piece of this.

The envelope for the minister's office staff is set by Management Board. We simply incorporate it in the estimates for the ministry.

**Mrs Margaret Marland (Mississauga South):** I'd like to ask the minister a general policy question. I would like to know what you feel personally about universal access to health care. Do you believe in universal access to health care?

**Hon Ms Lankin:** On many occasions you have heard me defend the principles in the Canada Health Act. I think the concept of universality is an important one embedded in our national health system and the health insurance system. It's not a principle that is applied throughout all of our health care system. There is a difference between our hospitals and our insured services and some of our non-insured services out there where we already have systems of copayment. We can use chiropractors as an example; it's only a partially insured service. In an ideal world universality of access to free health care right across the system would be a laudable goal. What I am trying very hard to do is to preserve within the system what we have now under those parts of medicare that do have universal access, where there is no user fee or copayment structure.

As we look at the shift from the traditional health care system to a new, reformed health care system, I think it's important from the point of public policy for us to keep in mind that as we shift, we need to shift some of these principles of universality accessibility, portability and non-profit administration to a reformed system as well, even if that system begins more and more to lie outside the traditionally insured medicare system.

**Mrs Marland:** You just used the terms "copayment" and "user fees" in the same sentence, so you agree that they're one and the same?

**Hon Ms Lankin:** I think there is a difference in semantics only in terms of how the public would look at it. The traditional use of the word "user fee" has been with respect to the medicare or the insured services and is viewed as a takeaway from that universally accessible program. The

concept of copayment, which exists in many of our programs—for example, in nursing homes and in many provinces with respect to the drug benefit plan, although not in Ontario—is in essence the same thing in terms of an individual making a monetary contribution towards a program.

The reason the terms, I think, have been used as different terms is with respect to those services that are covered under medicare or the national health care system and are protected by the principles in the Canada Health Act. That protection lies in the fact that if a provincial government, for example, introduced user fees to insured services—to doctors' services or hospital access services—the federal government would in fact wield fiscal penalties on the province to bring it in line or to get it to conform to our national health care system. This was the situation we faced in Ontario when the previous government had to move to end extra billing and took that step? otherwise we would have faced a fiscal penalty from the federal government.

**Mrs Marland:** Would you agree that when we have non-insured services we do not have universality of access? Maybe I should explain why I'm asking that. If you have non-insured services it follows that there isn't universality of access, because the people who can afford the non-insured service get it. So if it means that we then have two groups in society, the people who can afford it and the people who cannot afford it, the logical conclusion of that equation is that we don't have universality of access.

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**Hon Ms Lankin:** In the broadest sense of what you've said I agree with you completely. I think we have to be fair and honest and acknowledge that this exists today. If you are poor and by choice would like to access chiropractic services, that is not an insured service under the medicare system in this country. In Ontario, we have as a province decided to make a contribution towards recognizing that service and helping people access it. Physio and other services are like that; they are not covered.

I think you have to go back to the history of medicare, which was an insurance system for medical doctors' services and hospitals. The combination of those two things defined the services that have universal access. There are lots of other health care services that are not covered under universality of access that exist in our system today.

**Mr Jim Wilson:** I'd like to move to vote 2002 now, the health system management program. The other questions I have on the previous vote I will submit in writing; they are a couple of pages in length and they are technical in nature.

**Hon Ms Lankin:** What page are you on, please?

**Mr Jim Wilson:** Just into vote 2002; it's a fairly general question at the moment. In the health system management program, both yesterday and repeatedly you've made the comment that actually you've transferred 3.4%, or a \$242-million increase in operational funding for hospitals. This figure was also contained in the budget supplement paper. The 3.4% increase for 1992-93—and I'll give you an opportunity to comment on this—was calculated on the basis of the previous year's actual expenditure rather than

the way it's normally calculated, in my opinion, which is comparing one year's estimates to the next.

**Hon Ms Lankin:** That's a 2.3% increase.

**Mr Jim Wilson:** Okay, but you often quote a 3.4% increase. Just let me finish. Earlier this year the Treasurer announced a 1% increase in transfer payments to hospitals, and that 1% amounted to \$73 million for 1992-93.

**Hon Ms Lankin:** That's correct.

**Mr Jim Wilson:** More recently you announced that hospitals would have access to \$95 million from the transition fund. To me the combined total then comes to \$168 million, which is your 2.3% increase.

**Hon Ms Lankin:** That's correct.

**Mr Jim Wilson:** I would note that this is below the level of inflation and not, as you've stated on more than one occasion, above the level of inflation. I guess you're referring to the 3.4%. If you look at the Ontario Hospital Association's financial management services, they claim that hospitals were actually shortchanged by \$74 million for 1991-92 fiscal year, the difference between actual expenditures on hospital operations and the amount of published estimates for 1991-92. Therefore, the \$242 million or 3.4% funding increase actually counts the \$74 million twice, if you follow that.

**Hon Ms Lankin:** No, I would disagree with you.

**Mr Jim Wilson:** Well, how do you come up with your 3.4%?

**Hon Ms Lankin:** If you look estimates to estimates, there would be no reason to file actuals with people, if you say that's the increase they're receiving. It would seem to me that if you want to calculate what we project the hospitals will receive in additional funding this year over what they received last year, you have to use the actuals as your base.

The estimates of what we are going to transfer over what the hospitals actually received last year makes up the 3.4%. You're quite right: In estimates of what we thought we were going to spend in hospitals last year to what we project this year it's 2.3%. We underspent what we had projected last year largely due to new programs that didn't get up and running. To say that that therefore counts the money twice is incorrect.

There are expansions of programs we had budgeted for that hospitals weren't ready to undergo, that they weren't ready to implement; others are with the reviews we'd undertaken in a number of areas of capital expenditures; others are where we've cut back on increasing operating costs. We were able to bring that number down for expenditures last year as a result of better management but also as a result of just simply timing on some matters. Those programs, we hope, are getting up and running and we expect to spend those moneys this year. That's part of the second part of the announcement made following the Treasurer's global budget announcement. Those are real dollars that will be transferred and you can't discount them by going back to last year's estimates.

**Mr Jim Wilson:** On the operating expenditures for the health system management program, they are down 0.09% for psychiatric services, down 3.2% for health insurance



and benefits and 1.3% for the assistive devices services over last year's estimates. Can you account for where the savings will be realized in those areas, particularly—

**Hon Ms Lankin:** Can you give me the three lines you're referring to?

**Mr Jim Wilson:** Under health system management program: psychiatric services, health insurance and benefits, and assistive devices.

**Hon Ms Lankin:** You were going to say "particularly with respect to"—

**Mr Jim Wilson:** I'm interested in all three, but in particular—I'll be speaking tonight to the OMA and the reproductive technologies section. Going back to Margaret Marland's comments yesterday regarding in vitro fertilization and other reproductive technologies, there's still a very large concern out there and when they look at the budget estimates, they wonder if you're going to achieve some cost savings in health insurance and benefits on their backs.

**Hon Ms Lankin:** None of the cost savings contemplated are related to the delisting of services. I think I made that clear yesterday as well. I'll make a couple of general comments, then I'll ask the deputy to assist me.

Particularly with respect to the assistive device services, we've found as we looked at this vote line an interesting scenario in which, year over year, the estimates that were tabled showed growth in the program; but in fact, each year, if you looked at the actuals over the last significant number of years in this program, there was significant under-spending. There is very effective management in this program, and the way in which the dollars were being utilized, even with expansion of the program, saw significant under-spending from the estimates.

I felt it was about time we tried to reconcile what we were actually spending in the program with what we were estimating we were going to spend. So that percentage actually doesn't represent a decrease in spending of real dollars; it represents a more accurate reflection of what we are likely to spend and it's a decrease in the way these moneys had been projected in the past.

**Mr Decter:** If I could speak first to the psychiatric hospitals: As set out on pages 80 and 81, the major reduction in the psychiatric hospitals is in the ODOE area. The ministry had complied with an overall government initiative to reduce ODOE, the non-salary budget, by 10%, and in the case of the psych hospitals that's where the major reductions of some \$6.5 million have come. There are some employee benefit increases and some grievance award moneys that would flow from the collective agreement between the government and the bargaining agent, but the reduction is achieved largely in supplies and equipment, services, transportation and communication.

With regard to the health benefits reduction, the out-of-country annualization would be the single largest piece. That detail is contained on page 86. The other major event is that there were two one-time payments made to physicians as a result of the agreement last year, of 2% and 2% for the 1989-90 and 1990-91 years; those are non-recurring.

That sets out in detail the various changes. Without any of these policy changes, the expectation would have been

for an increase of some \$400 million. All of this is affected by negotiations that are ongoing between the OMA and the government, so these are more truly estimates than some of the other areas. Until that agreement is settled we will not be able to be completely precise, as the ministry hasn't been able to be completely precise in other years.

For the measures listed as 1991-92, those numbers are precise; those are our best calculations. The 1992-93 initiatives depend in significant measure on negotiations that are still ongoing. Those are the explanations in the OHIP line. I think it important to note that the majority of them are not new initiatives that affect physicians in the province. They're either things they knew about last year, the one-time settlement or the out-of-country changes where we're actually repatriating work into the province.

With regard to assistive devices, the detail is on page 96; these are largely management measures to achieve cost saving in the program. They go in the direction of looking at fixed contributions on some devices and some savings that have been achieved simply through—

**Mr Jim Wilson:** Can you explain some of them? I have a fair bit of correspondence. It appears—and this is the criticism—that unilaterally and behind closed doors there were rules introduced to tighten the assistive devices program and some of the criteria. Do you want to comment on that? We had the case you mentioned in the House. We had mentioned children with heart monitors, oxygen services. I'm sure they are not the right examples at this time.

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**Hon Ms Lankin:** Actually they are not, because the case of the heart monitors was a change made back under the previous government, so it wouldn't fall into the category of concern that you were pointing to.

It's interesting, because I have received some letters with respect to the proposed changes in the rules around mobility devices, as an example, and in some of those letters there has been the tone you suggested, an accusation that there has not been consultation. But after direct discussions with the director of this program and having reviewed the discussions that have taken place, the various groups representing persons with disabilities and stakeholders for this program area have in fact been involved in fairly extensive discussions around the application of guidelines with respect to mobility devices and some of the other proposed changes: looking at trying to introduce incentives for recycling and the ability to purchase recycled wheelchairs and others. So from my review of the record of activity with the director of that branch, significant consultation has been undertaken.

With respect to the issue of oxygen, a couple of things: Here I think you're really talking about the Ontario drug benefit program, not the assistive devices program. I would briefly say that the reviews of the program over the years have pointed out some of the problems with the rules around access to oxygen and the need for good clinical rules around access to oxygen.

The other thing we did, which was where the biggest cost saving was, didn't have to do with restricting individuals'



access; it had to do with negotiating a deal with the suppliers of oxygen. What we found when I looked at this program in the ministry was that Comsoc, which has a similar payment scheme for recipients of social assistance, had negotiated a deal that was significantly better than the rate the Ministry of Health was paying to the same providers out there for the tendering contracts of these services. We simply negotiated a better deal, and we've got a lot of cost savings as a result of that.

**Mr Jim Wilson:** Thank you. I wonder, Minister, if you could provide us with a list—if you want to take note of this—of the capital projects that have been approved by your ministry since your government's coming to office in September 1990, the amount of money allocated for each project and the date of approval, plus the projects you have. We've discussed at length in the Legislature projects like the Collingwood hospital and the hospitals in Simcoe county in my own area of the province. I think it would be useful for members to know how many capital projects have been approved, the amounts and what's on your plate now in terms of the review you're going through, so I ask you that.

Also, I understand—correct me if I am wrong—that the ministry has done a survey on the impact of the nursing settlement last year on the job losses, particularly the nursing sector in hospitals. Have you undertaken a study on that? You mentioned yesterday in your remarks that the figures will show that the layoffs haven't been as severe as predicted; I assume you mean a number of these people have been absorbed into other settings. Do you want to comment on that?

**Hon Ms Lankin:** I can give you a preliminary comment on that. I can't provide you with the numbers today; we are still in the process of working on those numbers at this point in time.

The comments I made with respect to the actual number of individuals laid off being significantly lower than what had been projected does not come as a result of people being absorbed into other settings in the community, which I think was perhaps a misunderstanding that arose yesterday. What I'm talking about is the individuals not having been laid off from the hospitals, regardless of the predictions, first of all, and then announcements of layoffs that would occur.

As a result of very hard work—and work to be credited—in the hospital sector by hospital management working with workers in district health councils to review recovery plans and look for alternative ways of finding expenditure reductions in their budget areas, they have been able to mitigate against a large number of those layoffs that had been predicted and even those layoffs that had been actually announced. They've also been able through attrition, through early retirement, through not filling positions, many of those other tools available to management to manage through deficit situations, to avoid direct layoffs of individuals. I will, as soon as those numbers are available, ensure that members of the Legislature in general are made aware of them.

**The Chair:** In one minute remaining, a final question in this section.

**Mr Jim Wilson:** I was interested to note one of the figures that stood out, which may seem insignificant to some, but it was actually brought to my attention by some nurses. The transportation and communication services are up 100% for hospitals this year. Any comment on that?

**Hon Ms Lankin:** I don't have directly. Can you show me again the line you were referring to?

**Mr Jim Wilson:** I'm sorry, Minister, I don't know the exact line because my notes don't quite correspond to the book. They will by next Monday.

**Hon Ms Lankin:** Then I'll undertake to give you a response on Monday as well, okay?

**Mr Jim Wilson:** Thank you.

**Mr Sorbara:** It's nice to be doing Health estimates, actually. It's the ministry that spends the lion's share of the provincial budget. I have some comments to make and some questions. I guess I want to start off in the same place my friend Mr Wilson started off with, as soon as the minister has completed her consultation.

**Hon Ms Lankin:** I'm sorry. I was just trying to find the line Mr Wilson was referring to in case I could provide him with an answer today.

**The Chair:** Minister, it would be helpful if your deputy took care of that and at this point your attention could be focused on Mr Sorbara.

**Hon Ms Lankin:** I understand the point you're raising, but I think I have some misunderstanding about the question and I need to get clarification if we're actually going to be able to answer it, so if I could just quickly do that. Mr Sorbara, I'm sorry; I don't mean to interrupt.

Mr Wilson, you were talking about transportation and communications. Was that public hospitals or are you talking about psychiatric hospitals under the government?

**Mr Jim Wilson:** It's public hospitals, from what I understand.

**Hon Ms Lankin:** Okay, we'll look into that.

**The Chair:** In future, Mr Decter has the opportunity to talk to any member of this committee, as do all the staff you have assembled here. You have the right to approach any of them once we're no longer in session and clarify any of the questions, and that's certainly helpful. But in terms of the flow of the estimates, if we could stay on where we are able to respond, and points of clarification can come by staff. That helps the process all the way around. Please proceed, Mr Sorbara.

**Mrs Marland:** On process, we can have written answers in the future to these questions if they're not available now, right?

**The Chair:** That is correct. Please proceed, Mr Sorbara.

1630

**Mr Sorbara:** I want to begin with the minister's office. I was struck by your comment that there was a practice in the previous administration of seconding ministry staff into ministers' offices. I was in that administration for five and a half years, and I can't recall one instance of that. Is

there something I wasn't aware of or some information I wasn't aware of that you are aware of; if so, can I ask you where you got that information?

**Hon Ms Lankin:** Directly within the Ministry of Health, I have worked with members of the civil service who had from time to time been seconded into the minister's office. Actually, I think it's a practice that is useful and helpful to both the minister and to the civil service in terms of bridging relationships between the two offices and understanding the nature of the work and the demands that are required. Since I have been in office, I have had two members of the civil service come for a number of months to work in my office. It was a very general practice, from what I can see looking at names on the list of people who were in political staff positions within the former minister's office under the Liberal government and who are now members of the civil service. It works both ways, I think.

**Mr Sorbara:** I'm rather surprised here, because the general practice of the transition from one administration to another is that information relating to the operation of the previous administration is not available to an incoming administration. Are you telling me that lists and procedures of the previous administration were routinely provided to you in your new administration?

**Hon Ms Lankin:** In the government phone book, yes. I've looked at the lists of names of people who were employed by the former minister and have met many of them in the civil service today.

**Mr Sorbara:** But was information provided beyond that about how—

**Hon Ms Lankin:** The only direct information that would have been provided beyond that was meeting individuals and discussing with them the fact that they had been employed directly in the minister's office. This was not a political staff person who went into the bureaucracy; this was someone who was seconded for a period of time.

**Mr Sorbara:** You just take it from that—I think I'm quoting you now—that there was a general practice of seconding members from the civil service into ministers' offices.

**Hon Ms Lankin:** I have had other ministers confirm for me the same thing in their experience in their ministries.

**Mr Sorbara:** My goodness. I'd like to see more evidence of that, because it was an infrequent practice. I don't criticize the practice. I just tell you that it was an infrequent practice.

How many people work in your office?

**Hon Ms Lankin:** I don't have the exact number right now. I think there's about eight policy staff in total.

**Mr Sorbara:** How many people work in your office altogether? Do we need a government telephone book to find that out?

**Hon Ms Lankin:** I would have to take a quick look at a staff list.

**Mr Sorbara:** About how many? You have an executive assistant; you have eight policy advisers?

**Hon Ms Lankin:** Maybe six or seven. Do we have a list? Let me tell you directly. There are 16 people directly employed in the office, one person on a secondment from the civil service and my driver.

**Mr Sorbara:** So 16 plus one plus one; that's 18 people.

**Hon Ms Lankin:** That includes the receptionist and secretaries and policy staff.

**Mr Sorbara:** It always does. Would you mind running through the titles? Executive assistant, eight policy advisers—

**Hon Ms Lankin:** Let me tell you the exact number. Seven policy advisers, one of those being a seconded person from the ministry doing liaison, so seven in total but six in terms of the minister's direct envelope. Then there are a number of general assistants who do case work, secretarial work, as well as my driver, who's a general assistant; receptionist, secretaries and two executive secretaries.

**Mr Sorbara:** Would you be surprised if I suggested to you that this is the largest minister's office in the history of the government of Ontario?

**Hon Ms Lankin:** No. In fact, I would acknowledge that and did acknowledge that earlier in that there was a Management Board decision to reorganize the envelopes to ministers' offices; large ministries like the Ministry of Health, which of course is responsible for the expenditure of over a third of the Ontario government's budget, were given increased numbers of staff to assist the minister—

**Mr Sorbara:** I'd say they were.

**Hon Ms Lankin:** —while other small ministries had their staffing numbers decreased.

**Mr Sorbara:** Well, we're not here to examine the staffing of other ministries, but I can't imagine how you could get much smaller than an executive assistant, a legislative assistant, a policy assistant and clerical and secretarial staff, which was typically the organization of a minister's office. But I take you at your word that some of them are smaller than that now. We'll be interested in looking at that in other estimates.

Can you table a copy of Jack Layton's contract? Can we get that today or tomorrow?

**Hon Ms Lankin:** We can certainly bring that back. I don't have it with me today, but we can bring that and table it for the members.

**Mr Sorbara:** Right. Minister, what is he going to do? What in the world is he going to do? I think he's going to be a federal candidate pretty soon and there's nothing wrong with that: He's a politician; he'll probably make a very good candidate. But what is he going to be doing for you?

**Hon Ms Lankin:** The Public Hospitals Act is in dire need of rewriting and updating. There has been a period for a couple of years now of a review of the provisions of that legislation. That was a task force that was established that had representation from the hospital sector, from some of the workers' groups, from consumers and the medical profession. It was a task force group that has spent a lot of time in subcommittees studying this legislation and coming forward with a very significant piece of work in recommending broad, sweeping changes to the Public Hospitals Act.



Having received this report, of course, I'm in a position where I'm going to have to develop policy recommendations from that for my colleagues to consider with respect to the legislation and government position on legislative change to this piece of legislation. Prior to drafting legislation and making policy decisions, I felt it would be helpful to have a once-around review of those task force report recommendations, have an opportunity for not just myself but other members of the Legislature to hear some opinions, some thoughts from people: "Is this task force report heading in the right direction? Does it miss the mark completely? Don't look at it, start again, scrap it? Or are there are some good ideas here we can build on, but here are some other areas we want you to look at?"

In deciding how to do that and trying to do it in an expeditious manner that was not going to take us a long time and drag this on—because we did want to be able to try to move and develop a legislative package—I requested my parliamentary assistant to conduct six hearings around the province in which we would also involve the local MPPs from any surrounding ridings who were interested in coming in to hear what people had to say. I thought it was also an opportunity for members of the Legislature to have some exposure to this piece of legislation. I didn't know a lot about it myself; there's a lot to learn to come up to speed to be able to think about the legislation the government will table.

In setting up those meetings—we're doing it over a fairly short period this summer—I wanted to ensure that we had the opportunity to hear from a broad range of participants. We have met with the Ontario Hospital Association around these changes. They have been out organizing their regional structure, regional forums with hospitals, educating them about the task force report recommendations and getting their feedback. They'll be feeding that in through these public hearings, as well as directly to the ministry in writing.

Some of the other organized groups are able to prepare themselves and be ready for this kind of comment as well. But we felt—I felt particularly; this is certainly important to me in the way I approach legislation—that it was important, if we were talking about the relationship of hospitals to their communities, governance structures, boards, how they get elected, what their accountability around program delivery is back to the community, that there is a way to facilitate community development and participation in this.

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With respect to the workload and the staff I have right now and what we are trying to handle with the major reform initiatives we have ongoing, I needed some assistance in trying to reach out to groups and encourage and facilitate their ability to participate. Facilitating their ability to participate is first of all making contact, letting them know about the hearings coming up, talking to them about what the nature of the reform recommendations are, whether they're interested in participating in this; and then taking the next step to set up meetings, if they're interested, in which ministry staff will come out and brief individuals and give them information on the task force report recommendations, some of which are quite technical and quite extensive.

That kind of organizing: to help community groups, targeting on women's organizations, representatives of visible minorities and aboriginal groups, reaching out to municipal councils that have interests in these issues but aren't often directly represented in the hospital board debate—they're more represented through district health councils and public boards of health—trying to facilitate that kind of participation. I actually think Mr Layton will be able to help in that way and be able to facilitate that.

One of the concerns that has been raised by members of the opposition in question period is that somehow we have hired someone who is going to oversee this process and is going to prohibit individuals from participating. In fact, it is exactly the opposite that we hope to achieve by this. Certainly we continue to work with hospitals and other organized groups to ensure that they will be there, but they have an organized voice. What we're trying to do is ensure that there's also an opportunity for other community groups that depend on hospital services and care about their hospitals to participate in this discussion.

**Mr Sorbara:** Madam Chair, you'll forgive me if I say that I find it somewhat unfair to the opposition in trying to get some answers if the answers are going to be so very long, but it's at the discretion of the minister, obviously. I'm not going to interrupt.

**The Vice-Chair (Mrs Margaret Marland):** It's also somewhat at the discretion of the Chair.

**Mr Sorbara:** Sure. I leave it in your hands and those of the minister. I'm not prepared to interrupt, but I think the answer went beyond a simple question about what he is going to do. You're telling me that with the largest ministry staff of any ministry—larger, frankly, than I think the Premier's office in the previous administration, but I may be wrong on that—there wasn't some time available for someone to do that task. I think that's a simple yes or no.

**Hon Ms Lankin:** You may think it's a simple yes or no, but I would like to give you more of an answer than that.

**Mr Sorbara:** There you go.

**Hon Ms Lankin:** I do take your point about giving long answers. I'm often criticized for that, even by the Speaker in the Legislature, so I'll try to keep that in mind. The situation I face right now with respect to the staff I have and the policy areas they're working on is that there are a tremendous number of long hours being put in and good work being put in, but the ability to spare someone to go out and do this kind of organizing at this time, when we need these hearings up and running over the next month, was limited. This is assistance I am authorizing, out of unspent staffing dollars within my minister's office envelope, to my parliamentary assistant in ensuring that he and the other members of the Legislature have a good process in the hearings.

**Mr Sorbara:** I simply say to you this is not an envelope in the traditional terms; this is parcel post, this is enormous. For the record, I note that there is a \$10.6-million communications envelope as well. Presumably some of that money has historically been spent on that sort of thing. I understand Bob Cohen is the director of communications in the Ministry of Health?



**Hon Ms Lankin:** Rhea Cohen.

**Mr Sorbara:** Oh, Rhea Cohen. I thought it was Robert Cohen. He's another great civil servant who has been the director of communications for a number of ministries.

So Mr Layton gets \$300 a day. As I figure it—rough figures—that's about 75 grand a year. How does that compare with the salary of other members of your staff, say your executive assistant? How much does your executive assistant earn?

**Hon Ms Lankin:** The range of salaries for executive assistants and special assistants I'd have to get from Management Board and table with you. I don't have those figures in my head.

**Mr Sorbara:** You don't know what your executive assistant earns?

**Hon Ms Lankin:** Not directly, no. I think the salary for an executive assistant would exceed that figure you referred to of \$75,000. But let me indicate to you that this contract is for 30 days.

**Mr Sorbara:** I appreciate that.

**Hon Ms Lankin:** If you took a special assistant's salary and included in lieu of benefits and certain other elements, it may come close to that, but it would probably be slightly under that on an annualized basis.

**Mr Sorbara:** Just as a point of information, is the contract with Mr Layton directly or with his consulting firm?

**Hon Ms Lankin:** I believe it is with him directly, but we'll have to check that when I table it.

**Mr Sorbara:** You're going to table the contract. Okay. That is the sort of minor political stuff we deal with in estimates from time to time.

You are responsible for the largest budget in the province, as is every Minister of Health in every province; what is it, some \$17 billion and change this year? Is that right?

**Hon Ms Lankin:** That's right.

**Mr Sorbara:** Through the budgetary process and other announcements you've made, you have suggested that there is a whole series of initiatives under way to come to grips with the cost of health care in the province. Is that right? This year it's a 2% solution as far as the Ministry of Health is concerned. Is that right?

**Hon Ms Lankin:** I don't know what you mean by a 2% solution.

**Mr Sorbara:** Overall the budget is going to increase by only 2%. Is that right?

**Hon Ms Lankin:** We are attempting a number of reform initiatives which get at improved quality but also get at the cost-effectiveness and sustainability. I think my general answer to you is, yes, I would agree with your characterization that we're attempting to look at costs and try and bring costs under control, but it's broader than that as well.

**Mr Sorbara:** Do you expect that in the future we are going to see absolute reductions in the health care envelope in Ontario?

**Hon Ms Lankin:** I wouldn't project that in the near future. Looking way out into the future would be—

**Mr Sorbara:** In the life of your administration, are we going to see a slower growth in the cost of health care, or are we going to see an absolute reduction—that is, a statement by the Minister of Health in the Legislature saying, "Mr Speaker, this year we are going to spend \$1,000"—or \$1 million or \$1 billion—"less"? Will we see that in the life of your administration?

**Hon Ms Lankin:** No. You'll see a slower growth in the Ministry of Health's budget. In particular, given the fiscal situation we're in this year and next year, what you will continue to see is a slower growth in some of the large vote items within the Ministry of Health like hospitals and physicians' services.

**Mr Sorbara:** Hospitals are going to be getting, relatively speaking, less money than—

**Hon Ms Lankin:** Community health.

**Mr Sorbara:** Less money than they otherwise might have expected in the growth periods of the 1980s, but not less money in absolute terms.

**Hon Ms Lankin:** That's right. As you know, the announcement we've made for the next two years, out from this year, looks at a projection of 2% and 2%. I want to be very careful to say that this is the first time we've tried to do multi-year projections and that we are working with hospitals to try to move to a multi-year budgeting process if we can. This is something hospitals have been demanding for a long time to try to give them some sense of certainty and ability to plan out and to manage. As a manager, I think anyone would be able to identify that it would be advantageous. It's a bit dicey in the first year to try to make those projections, but hopefully we'll be right.

**Mr Sorbara:** But these projections take you basically to the end of your term, don't they?

**Hon Ms Lankin:** Yes.

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**Mr Sorbara:** I simply want to suggest to you that other governments have made those, not directly in the way your government has in this instance. I also want to suggest to you that other governments, having done that, have seen fit, as the time for the consultation with the people comes closer, to announce initiatives that augment the allocation, in particular in areas where there is a political interest to do so.

Are you telling us now that we will not see specific, perhaps targeted, initiatives that put money in the hands of hospitals or doctors or community health that go beyond the transfers, or are you going to stick to your guns on this? Is it going to be 2% or are we going to see 2% plus some sort of sweetener two years down the road when we're out of the recession and we're going into an election?

**Hon Ms Lankin:** My expectation with respect to the hospital sector is that the number will be 2%.

**Mr Sorbara:** What about—

**Hon Ms Lankin:** If I could finish my answer.

**The Vice-Chair:** Excuse me, Mr Sorbara. You are interrupting the minister quite a bit.

**Mr Sorbara:** There is no doubt about that. I've only got a few more minutes and I'm trying to keep the answers short.

**Hon Ms Lankin:** No, that's not exactly what you're trying to do.

**Mr Sorbara:** No, I—

**Hon Ms Lankin:** The 2% outlook is one in which, I do want to caution, is the first time we have done a sort of public announcement of where we think something will be going. On the numbers we have and the projections from the Treasurer with respect to the economy and the fiscal situation of the government, that is the outlook and that's what I expect will happen. That's with respect to hospitals.

I do think you will see an accelerated rate of growth from what we've seen last year to this year, for example, in the next couple of years in community health. That would have been my hope, to be able to achieve that kind of reallocation of resources. Also, some of those resources will be reallocated to other determinants of health which lay outside of the Ministry of Health, and I spoke a bit about that in my introductory comments, Mr Sorbara.

**Mr Sorbara:** Okay. Have you ever heard of a person called Ted Ball?

**Hon Ms Lankin:** Many times, yes.

**Mr Sorbara:** Can I just read you something he wrote? Then I'd like your comments. I'm quoting from an article in a publication called Health Concept Consultants, which seems to be the name of his firm as well. He says:

"The Ontario health care system is on the precipice of a truly dramatic change. The entire system is about to undergo a fundamental restructuring and a downsizing that could in fact be breathtaking in scope. Beds will be closed, accessibility could be threatened, jobs will be lost, physicians' incomes will probably decline in a number of specialties and citizen entitlement to OHIP benefits may be reduced.

"In the next two years, the system's managers, hospital administrators, citizens' boards, health care professionals, planning bodies and public servants at the Ministry of Health will be put to a real test. Their collective challenge will be to manage the transformation and downsizing of the system in ways that do not threaten patient care."

Just skipping a paragraph that doesn't bear on the point that I'm trying to make, the next paragraph reads:

"The first thing that we all have to recognize is that this is inevitable. The status quo is simply not a viable option any more. The coming crisis in health care that we've all heard about over the past decade has now arrived. It's here. The crisis is right now."

Then he goes on to argue for joint planning.

Is Mr Ball wrong in the assertions he makes in this article?

**Hon Ms Lankin:** I think Mr Ball is making a tremendous contribution to the public debate on this issue, and I agree with the characterization of the possible range of things that could happen. If I could take his introductory comments and interpret them, if I may take the latitude of doing that, as I understand them from him, having talked to him on many occasions, I think he was most articulate in an National Film Board production most recently where

he said medicare is in danger and the danger is if we just try to let the status quo continue.

In his words, "If we don't change it, we'll lose it," and I think the range of things that could possibly happen and how they might change, and our ability to manage that and to do it in a way that sustains a good health care system, a high-quality health care system, and that allows us to in fact enhance quality of services, is the challenge he's talking about.

**Mr Sorbara:** I appreciate that, but I'm trying to understand whether or not you agree with this assessment of our health care system or if you have a different assessment. He says the system is going to be restructured and downsized.

I know the political rhetoric about, "We're going to enhance quality and also come to grips with costs and we're going to do restructuring in partnership," but the issue here, at least the one I'm trying to get at, is, are we going to be downsizing the system? If we're going to be downsizing the system, then the projections of reduced rates of growth are not on. If we're going to be downsizing the system, we're going to spend less money. We're going to have a smaller, maybe better, system but we're going to have a smaller system. That's what he's arguing here. Is he right or wrong in the case of Ontario?

**Hon Ms Lankin:** I guess I have to disagree, not with what Mr Ball has said but with your interpretation of what he is saying. The downsizing he's talking about refers to the traditional health care system or what people who have been involved in wanting reform in the system for the last 15 years refer to as the illness treatment system, talking about hospitals and the way in which we've utilized hospital services and talking about physicians' services and restructuring and downsizing with respect to that aspect of health care.

I think when we talk about the health care system, we're actually talking about a much broader aspect than that, and I think you will see growth in certain aspects of the system in terms of primary care services delivered in the community, long-term care services and a number of other investments indeterminate of health which lay outside the traditional health care system.

Where I take exception to the numbers and the way you portray them, to talk about downsizing the hospital sector, which we have seen already with respect to beds, there's a lesser reliance on acute care beds in the hospital system, but hospitals are providing more services on an outpatient and ambulatory basis. We're downsizing one part of the hospital system, not the whole hospital system. In fact, we think we're delivering services in more cost-effective ways. So costs will continue to increase there but not at the double-digit rate or the 9% to 10% rate that hospital budgets have been increasing over the last 10 years.

**Mr Sorbara:** I've got a whole bunch of other questions, Madam Chair, but I'll restrict myself to one.

**The Vice-Chair:** We'll have to wait with bated breath, I'm sorry, unless you can do it in 30 seconds.

**Mr Sorbara:** You think you're sorry. Yes, I can do it in 30 seconds. The question is quite simple. I'm wondering whether the minister, when she calculates the cost of



health care in Ontario, includes in her analysis of what we're spending and how much it's costing for health care the \$3.2 billion, \$3.3 billion or \$3.4 billion, depending on whether you're talking about 1990, 1991 or 1992, annually spent by the Workers' Compensation Board in Ontario.

**Hon Ms Lankin:** In terms of the ministry vote and the actual ministry budget, no.

**Mr Sorbara:** It's not part of the ministry vote; I appreciate that.

**Hon Ms Lankin:** But in terms of what we spend on health care and costs to the health care system, there are significant other areas in addition to workers' compensation.

**Mr Sorbara:** Such as?

**Hon Ms Lankin:** Road safety, the results of accidents that are being paid out and supported through the private insurance system, as well as the workers' compensation system results of accidents. I think you ask a question that underlies some of the arguments I've been attempting to make, taking from the work of the Premier's Council, the former government and others, that determinants of health and where we need to invest to keep people healthy often lie outside the traditional health care system.

**Mr Sorbara:** Perhaps if the Chair had indulged us with more time, we could have pursued that.

**The Vice-Chair:** Thank you, Madam Minister. Mr O'Connor, you have the floor.

**Mr O'Connor:** The question I have is a little more general. I suppose we've been pretty general up to this point with some of our questions.

**Mr Sorbara:** You're always gentler with your ministers than we are.

**Mr O'Connor:** The question I have is one that keeps being brought up by constituents within my riding; my riding is largely a rural riding with lots of seniors. It relates to the OHIP changes in rules as far as the snowbirds are concerned. Many constituents reside in trailer parks and travel, and they're really concerned about this half a year, 183 days. They run into a lot of difficulties. Some of them relate to the fact that those who have very large mobile trailers they pull behind their trucks—these are people who have sold their modest homes—when they come up to Ontario again they can't get into the parks until the long weekend in May; come Thanksgiving weekend, of course, all the water and hydro are shut off at the campsites. So what happens is that these people are left out in limbo and are caught in a predicament. Of course, that doesn't point out the opportunities they may have to visit friends and family, because they are mobile, in other provinces in Canada.

1700

The problem happens when they decide they're going to go to Florida for an extended period during the winter months. It's probably more healthy for them to be there than to be risking heart attacks shovelling snow. I just wondered if you could address some of the rule changes that affect seniors. I have a large constituency of seniors and I'd just like you to comment on it because it's something that does get raised with me on many occasions; in

fact, during my town hall meetings it's probably number one on the list, in recent months anyway.

**Hon Ms Lankin:** I'll talk first about the changes with respect to eligibility, because I think that's primarily what you're talking about, as opposed to the changes with respect to what we'll pay for in claims that come while people are out of the country. I'll ask the deputy to fill in any areas I may miss as I go through this.

When we moved from the OHIP number to an individual health card system in Ontario, a whole number of issues around eligibility for health insurance and coverage and the health card were able to start to be addressed; we had had such a mess in the system before with respect to the number that covered families and there was a lot of abuse and there were a lot of complaints. I know members of the opposition NDP caucus years ago stood up and there was a large furor when they brought forward names of dogs and cats that held OHIP numbers. The previous government responded with a major undertaking to move to an individual health registration card, a health number, so a number of issues around eligibility were raised and are being addressed on an ongoing basis in looking at the rules.

The question of residency is, what does residency mean, and if you need to be an Ontario resident to be eligible for health insurance, how is that defined? One of the rule changes I think you will hear from people that perhaps is affecting them is that we went from a requirement that people had to be present for four consecutive months in Ontario to a requirement that people had to be resident in Ontario—primary residence in Ontario—for a six-month period. It doesn't need to be consecutive, but for six months over the course of a year.

I think the question for us here is with respect to who we cover and what benefits we provide to individual Ontario residents and how you define a resident. We've determined that that definition should be someone who is resident here in the province for six months of the year, half of the year, and that his primary residence is here, as opposed to an individual whose primary attachment is to another part of this country or another country with respect to the taxes he pays, with respect to sales taxes, his purchases, the economy he supports, which is all part of what generates revenues that support our health care system here.

The issue you raised specifically around the trailer parks gives rise to how we determine if someone has a permanent residence or is living in a permanent residence here. I think that needs to be done in individual circumstances. I don't think there are blanket rules you can set around that. I believe this question was raised because someone was concerned that if he lived in a trailer, would that be determined not to be a residence? I think that's a situation where an individual would need to seek advice and clarification and sort out his own situation with OHIP, and if he disagrees with the eligibility ruling by OHIP officials, there is an appeal process.

I've only just recently been made aware of the issue of those individuals who have mobile residences they live in, in two different areas—they live in them in the States and they live in them when they come back to Ontario—and their problems with respect to a permanent address for the



summer months in Ontario being restricted by dates of opening and closing of particular parks and whether that compromises them under the six-month rule. We've asked the ministry to take a look at that.

**Mr O'Connor:** I guess some of the concern is that in some cases they travel back and forth. If the time lines you have are set in stone, what happens to people on their way back, who get into the mountains in Tennessee and go into Ohio and there's a snowstorm taking place? Do they then park their trailer, or do they risk life and limb to get to Ontario because they want to make that 183-day deadline? It's something that concerns them. Later on in the session I suppose we'll see some petitions being tabled, because my constituents are very concerned about it.

**Hon Ms Lankin:** I really would want to assure you and hope you would assure your constituents that no one should be driven to risk life and limb to try to meet that kind of deadline. First of all, we are talking about situations we become aware of through a person's claim and the claim is rejected. The issue is whether their insurance would cover them for something that happened in the States if, on receiving the claim and based on past records, it would appear to us that they were out of the country for an extended period. So the actual situation you raise is one I hope you would reassure people about.

I think the bottom line is the question of who are we going to cover. It doesn't matter where you draw lines. There is always someone on one side of the line and always someone on the other side of the line. I would hope we would all consider, in times when we are trying to stretch our precious resources around health care as far as we can, that we want to ensure we have a policy that is defensible about who are our residents and who it is we cover. This is a system contributed to by taxpayers, both employers and individuals. Certainly the employers' health premium doesn't cover the costs of our health care system; it's one contribution. Individual taxes paid into the consolidated revenue fund, lotteries, federal transfers, all sorts of things are relied upon in order to finance this system.

I think we owe it to our society to have a system that can meet the needs of people who are defined as active residents of our community. That means we have to make some decisions about who is a resident of our community. It seems to me that there is a choice for those individuals, that perhaps they spend five months in Florida and a month visiting people in other parts of Canada and six months in Ontario. People can organize their lives around this as well.

**Mr O'Connor:** We could belabour the point. The concern is, though, that the provincial parks we operate aren't open for the six months, if they have sold everything they own to take up that mobile way of life when they've retired and want to travel.

One point was raised recently at a public meeting when I was talking with some seniors who live in a land-leased community; this is a suggestion you can take with you and maybe talk about later with some people within the ministry. What about the possibility of OHIP coming up with a program that would be along Blue Cross lines? The brokers

for Blue Cross and Green Shield take a huge percentage in carrying charges—I think it's up in the 40% range; it's enormous—and their costs are very prohibitive to seniors who want to travel. There would be savings for those constituents that maybe would allow them to spend a little time abroad. Maybe it would be possible for the ministry to do that.

I don't know whether that would be feasible. That was a suggestion made by a senior in my riding. I thought it was very creative of them to think of suggestions. I did raise the issues that you've raised, that we do have to make sure the health care system we're providing is for the residents of Ontario. These people who have paid taxes all their lives in Ontario and are very proud to be Canadians are trying to help out as well. They're not trying to be a drain on the system; they're trying to be creative. That was a suggestion that maybe there could be some cooperation. I don't necessarily need an answer from you on that, but maybe just a suggestion that you can take back to your ministry and take a look at.

1710

**Hon Ms Lankin:** I appreciate the suggestion.

**Mr Robert Frankford (Scarborough East):** I want to continue, in a way, on increasing revenues. There are two areas I want to get into, but I probably only have time for one. You've set up an industrial strategy—or what's the term for it?

**Mr Decter:** Health economic development.

**Mr Frankford:** I think it is looking at devices and so on. I'd also like to draw your attention to an article that was in the *Globe* about three weeks ago about encouraging cross-border shopping by Americans, to use health care here. I've met briefly with the authors of that article since then. I understand that some cross-border shopping does take place already; we're basically talking about hospital care, procedural care. I believe something like a dozen hospitals are doing that. I think that figure doesn't appear anywhere in the estimates, but it would be interesting to know the extent to which it's taken place already. That's one approach, a more procedural, higher-tech approach, which I think is taking place.

Now, there are other types of health care which can be offered here. What occurs to me, looking at the amazing business opportunity that exists with 35 million Americans uninsured all over, but certainly a significant number in the border areas, is that there's clearly a lack of bread-and-butter primary care. I believe some of this is already taking place in Sault Ste Marie, where you have a tailor-made arrangement with the Group Health Centre.

One could easily see ways of building that, and this also of concern to people like my neighbour here—

**Mr Wayne Lessard (Windsor-Walkerville):** From Windsor; don't forget Windsor.

**Mr Frankford:** —from Windsor, where the market from Detroit I think would present another remarkable opportunity for economic development, in both hospital and non-hospital care. I'm aware there are potential problems with two-tier systems, but I think this is all manageable with

the right policy decisions. I wonder if you'd like to express any thoughts about the potential revenue from the US.

I'll just throw in that because our system is so superior a growing number of US planners keep on coming here, so we're getting tourist revenue. Last week I had the privilege of sitting down with Dr David Himmelstein, who's with Physicians for a National Health Program. He is a strong enthusiast who's written extensively and points out the enormous waste in their system of a privatized, highly bureaucratized system. There's \$20 billion or something enormous just going in the paperwork there, so there is considerable interest in selling knowledge of our system, which I think is another thing that is happening anyway. I'd like to hear anything the ministry is doing to develop that.

**Hon Ms Lankin:** I think I'll let the deputy respond.

**Mr Decter:** A couple of comments: There is revenue earned by Ontario hospitals from US patients and other providers. Most of that is simply tourists visiting who need care, but our leading hospitals in tertiary care are among the best in the world.

I was recently at a meeting—14 countries represented—and two of the managers of the largest US health maintenance organizations took me aside to say how much they appreciated their ability to send extremely complex cases to the Hospital for Sick Children in Toronto. They also said it was great quality and that it was a bargain, so when I got back I had a chat with David Martin at Sick Kids', who said he might consider raising his rates since they seem to think it's a bargain.

So there is some of that. There are some difficult issues in there and the issue has been raised with us by a number of hospitals. We've asked the Ontario Hospital Association to have a look at general policy in this area.

Obviously, in pursuing that opportunity our concern would be that we might create a two-tier situation where an Ontario resident might not be first in line for treatment. We felt the hospital association might be able to give us some assistance there, and I believe it is working on those policy issues.

On the second point, we do get an enormous number of visitors from other countries with very serious interests. We have almost weekly ministerial or senior-official level delegations. We are endeavouring now to marry them up with expertise in Ontario. RMC Resources Management Consultants is, I believe, engaged in about a \$200-million assignment in Poland to assist that country in developing its health care system. In the nine months I've been in the ministry, we've had visits from at least a dozen countries. It does represent a significant business opportunity for consulting firms in Ontario to provide expertise.

We, as a ministry, provide as much information as we can as a public service because we're very proud of our system, but there is a business opportunity. Our health economics development group is very new—we started it in January—so it's still finding its feet. They have the view that there is significant potential for Ontario firms to assist globally. Many countries have great respect for Canada's health care system for what it has achieved.

**Mr Frankford:** If I can just add—I think I mentioned it—I would assume that what one could really do well in is selling health insurance. The people in Detroit or the people in Sault Ste Marie, Michigan, could well benefit from a plan which allows them accessibility to facilities over here. Of course that could bring in an incentive to keep them healthy, which I think is good policy in any case, but it also has the potential of not tying up our expensive procedural things but allowing them access to very basic things. I think of things like prenatal care, which is another disaster across the border.

We have tremendous opportunities overall. If one looks at places like Windsor or St Catharines, we are looking for movement from the manufacturing sector to the white-collar sector. I think there are tremendous job creation activities for the ordinary working folk, not just for consultants going to eastern Europe, who no doubt are competing with consultants from Harvard business school and elsewhere. I don't know if you want to comment.

I have another area I'd like to get into. The other area for revenue is around natives. I think I'm correct in saying that treaty Indians or status Indians are guaranteed payment for their care by the federal government.

**Mr Decter:** That is constitutionally the case. I think historically it has not always been the case that the government of Canada could be seen to have lived up to its obligations fully. There are a range of agreements and shared arrangements where the province has done things sometimes—and I think it goes back to Minister Timbrell's day—out of sheer frustration that the federal government was not willing to move. There were provincial investments in nursing stations in aboriginal communities and so on. It is a mixed field; I think that would be the most accurate description.

**Mr Frankford:** I think I'm correct, and I gather from your remarks, that it's a field where we probably could get more revenue if we knew how to go about it, and that we're actually entitled to it.

1720

**Hon Ms Lankin:** I think actually it becomes an issue of importance in the discussions between the aboriginal community, the first nations, and ourselves about the future delivery of health care services and our attempt to work with them to develop an aboriginal health strategy.

I think aboriginal communities would see it as a very negative step for the provincial government to attempt to receive moneys from the federal government for services that are currently being accessed. I believe they have a government-to-government relationship with the federal government in which they are and have been for many years attempting to fight this issue of adequate financing.

I think it would be seen to be a very negative step for the provincial government to step into that debate, and also for requesting compensation for services that are provided, but in general there have been tripartite discussions between the aboriginal communities, the Inuit and the Metis, some of the first nations and others who have sat down with the federal government and with representatives of provinces and territories to start to talk about the directions that need



to be taken with respect to aboriginal health, and about how so many issues have fallen through the cracks between the federal constitutional responsibility and the provincial lack of resources to be able to expand delivery of services.

**Mr Frankford:** I assume this ties in with the overall constitutional discussions. Although the obligation is clearly there for status Indians, there are significant other populations whose status is not guaranteed at present, but the constitutional discussions could well include them.

**Mr Decter:** There has been an expansion of the status population due to federal legislative changes. It is the case in some parts of Ontario that the federal government pays directly for health facilities, a hospital, for example, and we actually pay money to them for non-aboriginal citizens who are treated in those hospitals. It's a bit of a two-way street. It is an area that has historically lacked much clarity and there's a real reluctance on the part of the federal government to bring much clarity to it.

I think it's also fair to say that provinces really, at the end of the day, other than presenting bills that won't be paid, have only the lever that I believe none of them would resort to, which is to deny treatment. That's certainly not something that's ever been countenanced here, so one is left trying to sort it out more on the upside, that is, what investments will be made by both governments to provide better services to those populations rather than, in a sense, fighting over who owes whom what for past services.

**Mr Frankford:** Do we pay for Anishnawbe and any other community health centres or do they?

**Mr Decter:** We do. There are some community health centres that are targeted to the aboriginal population. Those are paid for by the province, as are the other CHCs.

**Mr Frankford:** But could we not make a case that they should?

**Mr Decter:** I think one can make a very formidable intellectual case. It tends to get overwhelmed by the rather larger issues around health care finance between the two levels of government.

**The Vice-Chair:** Dr Frankford, Mr Lessard wanted to ask a question, and there is agreement that the minister will leave at 5:30.

**Mr Lessard:** Does that mean she'll be here for a few minutes to respond to my question?

**Hon Ms Lankin:** I will undertake to give you a very brief response.

**Mr Lessard:** Okay, great. My friend Dr Frankford has given such a good pitch for Windsor that I feel I really don't even have to follow up on that. I just wanted to express my interest as a representative from Windsor with respect to the prospects of increased revenue for hospitals in Windsor from US clientele.

One of the parts about sitting on the estimates committee that I really enjoy is having the opportunity to hear from various ministers their vision for the future in different areas. It gives us a rare opportunity to hear that, because I know, Madam Minister, that your time is so limited and your responsibilities so extensive that we rarely get this opportunity.

My layman's perspective of the historic growth in spending in health care over the years is that it has been the result of the view of previous governments that the more you spend on health care, the healthier people will be. We've found now that that's not really the case, and as a result we're kind of stuck with paying the bill.

I know we're going to have to undertake a lot of different changes in health care in the coming years and I know one area where we can make some changes is with respect to community health centres. I know we have one in Windsor as well, and I wonder if you can indicate whether you think this is something that we may see in the future: a trend towards greater expansion of community health centres in providing health care.

**Hon Ms Lankin:** I'll try and keep this answer very brief; it's something that maybe at a later time you will want to pursue.

In general terms, I think we have stressed the importance of developing a community health strategy for delivery of primary health care services. We believe that within that strategy—and we're in the process of working with groups like community associations, community health centres, health service organizations and others to develop that framework right now—community health centres will be an integral part of that.

I mentioned in my introductory comments that we've never done much evaluation very well in the health system in Ontario, or in Canada for that matter, and that extends not just to institutions and physician services but to our community-delivered services as well. We have an intellectual commitment to the shift to the community and there's a lot of research and data that suggest this will be good, but as we've experimented with some of these models in Ontario like community health centres and health service organizations, we haven't also put in place the evaluation mechanisms to determine what the delivery service outcomes are. So we're working with those constituencies to develop that kind of evaluation tool right now.

I don't believe that anything we find out from that evaluation would actually lead to a lesser commitment to enhancement of community health clinics; it might reshape how they're organized and what services they deliver. We hope to be with the community developing, I guess, a commitment for growth over the next five years so that we have stable and continued growth. As you know, we have limited resources so it's not a period of large spending boom time in terms of new construction and new services. But we think it's important to keep a commitment of steady and predictable growth in this sector while we are trying to develop a vision for delivery of primary health care services that sees a greater mix of health care providers involved in that, that involves physicians as one of a team of health care providers who can in community settings deliver services that are paid for in a manner that lies outside of the fee-for-service system that we see under OHIP currently.

**The Vice-Chair:** Thank you, Minister, and thank you, members of the committee. We meet again next Tuesday following routine proceedings.

The committee adjourned at 1728.











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Deuxième session, 35<sup>e</sup> législature

# Official Report of Debates (Hansard)

Tuesday 9 June 1992

# Journal des débats (Hansard)

Mardi 9 juin 1992

## Standing committee on estimates

Organization

Ministry of Health

## Comité permanent des budgets des dépenses

Organisation

Ministère de la Santé



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Clerk: Franco Carrozza

Président : Cameron Jackson  
Greffier : Franco Carrozza

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# LEGISLATIVE ASSEMBLY OF ONTARIO

## STANDING COMMITTEE ON ESTIMATES

Tuesday June 9 1992

The committee met at 1602 in committee room 2.

### ORGANIZATION

**The Chair (Mr Cameron Jackson):** I would like to call to order the standing committee on estimates. Since I see a quorum, I'd like to dispense with a little bit of committee business before inviting the minister to resume her estimates.

Our clerk has submitted the report of a subcommittee which met on Wednesday, June 3, and the report is before you for your consideration. This report was necessitated by the fact that the current legislative calendar will not allow us sufficient time to complete the full estimates. Therefore, the subcommittee has recommended that a two-week period commencing August 10 and August 17 or, alternatively, the week starting September 8 and the subsequent week starting September 14, be set aside for estimates during the recess. If approved, this would be communicated to the House leaders for their approval and support. Are there any questions about the report?

**Mr Gilles Bisson (Cochrane South):** For the record, I just received that now. As you know, last week I was in Ottawa on government business and was somewhat aware that it was coming forward, but I didn't know it was coming forward in the committee right now. I would ask that we have an opportunity as government members to take a look at that and come back tomorrow. We can basically let you know how we'd vote on it.

**The Chair:** Okay. Mr Frankford attended on behalf of your caucus and ably represented your caucus at that meeting. He undertook to communicate to what I understand were most members of your caucus. For that reason, we would really like to deal with the motion now, if possible.

**Mr Larry O'Connor (Durham-York):** One point, Mr Chair. I received a notification in the mail about a one-day sitting in September, something to do with the 200th anniversary of Parliament in Ontario.

**The Chair:** That is correct.

**Mr O'Connor:** Is that on the Thursday or the Friday of the second week of September?

**The Chair:** That is a Thursday, as I understand it.

**Mr O'Connor:** So that could interfere with us, or would we move then with the committee to—

**The Chair:** We would adjust accordingly.

**Mr O'Connor:** I just wanted to place that for consideration.

**The Chair:** I believe what's recommended is that we would give the House leaders the flexibility to choose a two-week period of either of those starting dates of August 10 or September 8, and the schedule is appended for your consideration. With that schedule, we would be able to complete all estimates.

**Mr Bisson:** That will be all 12?

**The Chair:** That is correct.

**Mr Bisson:** How many? I just read the memo. I think there were only three that we would be hearing in that time period of two weeks.

**Interjection:** Five.

**Mr Bisson:** Five? Okay. Again, as the whip for the government side of the committee, I would ask that we bring this back tomorrow rather than forcing it to a vote, and we could discuss it then.

**The Chair:** Okay, that's fine.

**Mr Ron Eddy (Brant-Haldimand):** I wonder if the recommendation would be considered by the government members in light of the possible sitting of the Legislature in July. Does it make any kind of difference if in fact the Legislature were to sit till the middle of July or later?

**The Chair:** To answer your question directly—if we were to sit in the month of July, then this committee would continue its schedule of hearings. I believe our schedule would invite the Ministry of Housing to begin the first week of July, and then the subsequent ministries in that rotation, and we would end when the House rose.

However, today was our caucus meetings and all three parties had ample opportunity to discuss just exactly what was happening. We also know that those decisions are quite clearly outside the control of this committee. We are simply required to submit to the House leaders if we require time for the summer, to get that submission in now or as soon as possible so that we're given due consideration.

I respect the request from my colleague to have this matter dealt with tomorrow.

I sense we're now ready to begin estimates—and the clock will recognize that it is seven minutes after the hour of 4—which is the commencing of the Health ministry estimates, unless there are other questions. If not, fine.

### MINISTRY OF HEALTH

**The Chair:** When we were last together there were six hours remaining for the Ministry of Health. Where were we in the rotation?

**Clerk of the Committee (Mr Franco Carrozza):** We had finished with the Minister of Health, so we go back to the Liberals.

**The Chair:** Very good. The minister, I believe, has a couple of items she would like to table for the committee's consideration. Minister?

**Hon Frances Lankin (Minister of Health):** I have answers to questions that were directly raised or inferred in the opening statements by the two opposition party critics on June 2 and answers to direct questions posed by members of the committee on Wednesday, June 3. I should indicate that there are, I think, two questions still outstanding that

we are working on answers to and we will probably be providing those to you within the next day or so. If I can table these with you at this time.

**The Chair:** Thank you, Madam Chair—I mean Madam Minister. I'll trade you salaries and positions actually. Are we ready for the official opposition to begin questioning?

**Mrs Barbara Sullivan (Halton Centre):** I would like to continue to pursue the line of questioning my colleague introduced in the last immediate session, following in relationship to the organization of your office and the involvement of consultants in the affairs of your office and in the ministry. The member referred to the involvement of Ted Ball, a health care consultant, in participation in the dialogue on health care issues.

We would very much like to know what his involvement is with the ministry in a consultancy fashion: where he has access, what number of hours he is under contract in one or more contracts and where he sits in your operation in terms of the advice and policy development and/or other areas where his services are used, or those of his company.

**Hon Ms Lankin:** I will undertake to table a response to that.

**Mrs Sullivan:** We would also like to know the nature and extent of any other consultancy services available to you in the minister's office or in the ministry, including the companies or individuals which have consultancy contracts, the nature, extent, value, duration and any other issues associated with the contracts that have been issued.

**Hon Ms Lankin:** I would just ask on this point if you are talking about consultants' contracts, whether they are in the ministry or within my office, who would perform services directly related to issues that I, as minister, am working on or services I require as opposed to, for example, a consulting contract that may be in the area of information technology in the Kingston OHIP division.

**Mrs Sullivan:** I think we'd like to see all of those contracts and information relating to all of them. Naturally, we're most interested in the areas relating to policy issues in terms of detail, but it would also be useful, for example, if you're speaking about contracts associated with OHIP, for us to have a view of the nature and extent of people exterior to the ministry who might be involved, for example, in updating the data system or in bringing proposals forward in that area.

I suggest that would be valuable information in that we know health service organizations have had a very difficult time in analysing and utilizing data coming through the OHIP system because of its presentation. We also know that over a period of time there has been some concern about the efficiency of the data system and it might also provide us with an inclination of some additional changes that may be required in a more advanced health card system. I think some of the other information would be useful as well.

1610

**Hon Ms Lankin:** What we will attempt to do is provide you with a response to the detailed requests that you made in the first phase of your question in fairly short order. I think we can do that. In general, in response to the

broader application of your question, we will undertake to give you information about the key areas of activity with respect to the use of consultants. I think we can indicate to you the overall dollars that are being expended and areas where we've taken dramatic steps to take reductions in the use of consultants and the amount of dollars being spent. We can perhaps provide the committee with some direct information with respect to the issues raised around how we collect data and the health registration card—for example, innovations with respect to smart card technology and contracts and pilot projects around that—if that would be of assistance. That might take us just a bit longer to pull together, however.

**Mrs Sullivan:** I would also like to follow up on the questioning of my colleague in relationship to consultancy on the Public Hospitals Act. On Saturday, June 6, on page A21 of the Toronto Star, an advertisement had been inserted by the Ministry of Health asking, "How Do You Think Your Hospitals Should Be Run?" The response is directed to Barbara Hibbard at (416) 925-6529. This is not a ministry number. Indeed, it's a home number where there is an answering machine. We have responded to that today and discovered a telephone answering service indicating that this person, whom I know and who has been an employee of the Legislature in the past, is away from her desk until 4 o'clock.

We are wondering indeed how serious you are in terms of public consultancy in relationship to the hospitals act and if this is the kind of appropriate way of people indicating how they can be involved in hospital decision-making and how hospitals can be more open and accountable to the communities they serve, with an indication that people's views count and they should make sure they're heard. I'd like your response to that question.

**Hon Ms Lankin:** I want to assure members that we are very serious about hearing from people with respect to changes to the Public Hospitals Act. The advertisement that the member speaks about is to let individuals know about public hearings that will be forthcoming and to find out how they can participate or get more information.

I will be glad to follow up on the information she just provided me with at this point in time with respect to the individual who is the contact person and her availability. If there are steps that need to be taken to ensure that the public gets a prompt response, we will take those steps.

But I can assure her and the other members of the committee that we are serious about reaching out to communities. We're attempting, through community development initiatives, to bring forward people from community organizations and groups who may not otherwise find a way to participate in this debate or have enough background about the two years of task force study and the recommendations to be able to participate in the debate fully and to respond to some of the pressing questions that will be facing members of the Legislature as the government develops its policy and tables legislation. Our attempts are to ensure they will be able to participate, and I think we've taken some additional steps to ensure that. If there are problems with that or there are further recommendations that members have to assist us in that effort, I'll be



pleased, as will the parliamentary assistant to the Minister of Health, who is here and who will be conducting those public hearings with the assistance of other members of the provincial Parliament.

**Mrs Sullivan:** Naturally, one of the questions we are interested in relates to the contract of Barbara Hibbard. What is apparent is that there is more than one contract in association with the organization of the Public Hospitals Act public hearings process. In addition to Jack Layton, Barbara Hibbard is clearly on contract, working from a home office. We would like to know who else is working on the Public Hospitals Act consultancy. Why isn't Mr Wessinger's name involved in this advertisement? We understand that he is to be the chair. Surely his office could be involved and surely some other people in the ministry should be able to do this work. How many other people have been hired on a consultancy basis to be involved in the Public Hospitals Act consultation?

**Hon Ms Lankin:** The initiative that was taken from my office with respect to the hiring of Mr Layton involves a contract that has services of Mr Layton and an assistant who works with him. Outside of that I'm unable to give you any further information whether or not there are any individuals in the ministry who are contract employees as opposed to direct civil servants who are working on this project; I'm not sure.

For example, up until recently, when we switched to the chief of the legal services to head up this project, the lawyer who was working on this was someone who has had a long-standing relationship with the ministry who has always been in a contractual relationship or fee-for-service relationship. Those kinds of employment situations I find have existed throughout the years in this ministry in relationship to various departments and people doing work for the ministry.

With respect to the point I think the member of the committee is getting at in terms of initiatives undertaken by the minister's office to bring in assistants in organizing community participation in the public hearings, the only contracts I am aware of are the contracts that have been taken out for services with Mr Layton and his assistant, which you are already aware of.

**Mrs Sullivan:** You've indicated that the person who was heading the Public Hospitals Act process was a ministry employee in the legal division. I expect that you mean Linda Bohnen, who has now left the ministry?

**Hon Ms Lankin:** She was a person who was working on a contractual basis with the ministry. She was not a civil servant.

**Mrs Sullivan:** Was she under contract from the Attorney General?

**Hon Ms Lankin:** I'm not sure. Most lawyers have their employment relationship, whether it's contractual or otherwise, in any ministry in government through the Ministry of the Attorney General, so it's quite possible the paperwork was done through there. The distinction I'm making is that, unlike some lawyers who are direct employees of government, Ms Bohnen was in an employment relationship that was on a contractual fee-for-service basis

as opposed to an employee status. That was a long-standing relationship that existed under the previous government as well as under our government.

**Mrs Sullivan:** Who is now heading within the ministry the consultancy program or the development of the Public Hospitals Act from the government point of view?

**Hon Ms Lankin:** It is not a consultancy program, but the responsibility for the development of policy and the legislative proposals within the ministry is Gilbert Sharpe's.

**Mrs Sullivan:** I think you will understand that we have raised these issues in the House and are raising them again in committee because there is enormous unease about the nature of the consultative process itself—the time lines, the perceived bias—in relationship to the development of what will be changes clearly needed in the Public Hospitals Act. The process itself appears to have been tainted.

This Toronto Star advertisement is simply another indication of a tainted process where there appears to be a public process occurring that isn't occurring in an appropriate manner, so we would naturally want to hear more from you in relationship to the process of consultancy, of where Mr Wessinger actually fits and of who else is involved behind the doors in association with the policy development. I think these are matters of public concern and are readily understandable in terms of public interest.

I also wanted to ask you if you would speak to the questions associated with statements you've made in relationship to governance and what you mean in terms of the Public Hospitals Act by democratization of the system. People are confused and, from a policy point of view, want a further understanding of what you mean and where you see a democratization that perhaps involves staff, including physicians or other health care providers within the system of hospitals, and how you see a fit between the steering committee report and the words you have given on several occasions in relationship to being enthusiastic about further democratization of the public hospitals boards.

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**Hon Ms Lankin:** I think there are three distinct parts to the questions you raise, starting with your opening comments and your assertion that there's great concern and that somehow there has been a change of process with respect to public consultation.

I don't agree with you that there is great concern out there. My discussions with members of the various health professional groups and associations like the Ontario Hospital Association, both prior to and post the kind of furore that was raised in the Legislature by the opposition around the hiring of Mr Layton, gives me great confidence that there isn't the kind of concern you indicate. In fact, I think it's more the opposition throwing up straw men to try to create an issue where there is none. If the process becomes tainted, it is by that and not by any action that I or members of my office have undertaken.

Your assertion that to try to do community outreach work and involve people from the community who may not otherwise be heard in this process in public hearings and in giving their input to government somehow presents



a bias or represents a bias on behalf of government is an interesting assertion on your part as well. I'm not sure where you think the bias is—for or against. It seems to me that if there is a bias, it's being indicated that it is a bias on behalf of hearing from individuals and hearing from the community and of ensuring that we give people enough information and background to enable them to participate as well as offering them the opportunity to organize and join with each other to discuss and develop opinion so that they can participate in this process. I think that's a bias in favour of people and in favour of communities, and if you declare that to be a bias, it's one which I'll defend with pride.

With respect to issues of governance and democratization, I've been asked what I mean when I talk about governance issues—specifically the relationship of our hospitals and the boards that oversee the affairs of our hospitals and their relationship to their communities, both their local communities and depending on the role of hospital regional communities. There are a number of issues that must be addressed and I don't think there are simple answers.

One of the reasons why I am quite interested in having a first go-round and just hearing some general response to the recommendations of the task force is that this leads into your third question, Ms Sullivan, about the relationship between the steering committee report and the comments I've made around governance and around democratization. I think it is important for us not to assume that easy answers like elected boards will get at the issues of accountability and democratic governance. For example, we all know situations where, in communities, election to particular governance bodies could mean the representation of a single point of view.

With respect to the delivery of health care services, where we are dealing with access to ensured services as a right and it's something we value and want to protect, I don't know that this is what might appear on the surface to be an easy answer. It's an answer that a lot of people have been proposing. I'm not sure it is necessarily the best answer.

What I have been suggesting is that the steering committee report provide a basis of very valuable work and very valuable thought and input into this process. But there are a couple of areas in particular that I would like to see people comment on and give us their best advice on, one being governance. What is the relationship? How do we put together the governance bodies of our public institutions? What are their relationships to their communities? As you know, the task force has recommended such mechanisms as the development of a social contract around the delivery of services. That's an interesting concept. Flesh it out; what does it mean? How would communities grasp hold of that idea? How do they see it working? Does it meet their needs? What's the relationship between the service deliverers, like our public institutions, and their governance bodies and planners, like district health councils, for example? There are a lot of issues involved in that.

With respect to the issue of democratization of the institution, as you may know, again the steering committee report has made some recommendations that suggest that those people who are in direct employ or whose services are directly employed within the hospital setting should

not be direct members of governance structures but should have avenues to feed in their best advice.

In the real world, what that means is a shift in what's happened in most hospitals, where the medical staff have had a very active voice and participation in governance structures, to a system where they would be part of an advisory committee and provide professional advice through their advisory committee to the board, as would other groups within the hospital who currently don't have the same relationship with governance structures—with boards, in the current situation.

For example, nursing and other health care professions and staff of hospitals would have advisory committees where they could provide direct advice through to the board. This is a very interesting departure from how things have been done in the past. It is one proposed model of achieving greater involvement or perhaps moving to more multidisciplinary involvement and advice-giving to a board. It certainly defines the role of the medical profession and other professionals apart from the administration, the chief executive officer and that person's relationship to the governance structure.

I think these are really interesting ideas that need to be explored. Again, a lot of people have suggested that the way to find greater democracy inside the institution is for all employee groups to have direct representation on the board. That's an alternative model. These are the sorts of questions that I, in particular, have asked people to address as they are participating in the public hearings, along with some of the very important issues that are highlighted in the task force report, in which I think the recommendations of the committee go a long way to answer some very needed problems or provide solutions to some very necessary problem areas, such as fiscal responsibility, the roles of trustees, our ability to assure that another St Michael's Hospital doesn't happen where there's a lack of clarity around the roles of the various parties. I hope people will be providing us with comments on those areas as well.

**Mrs Sullivan:** Are you going to be providing any signals that are more substantial before going into public hearings about what would be acceptable, in your view? By example, I think of the reservation you have already raised about public elections of hospital boards. I have other reservations, including the politicization of the health care delivery system through hospitals, given public elections. Are you going to be providing signals as a guide in terms of policy before those hearings begin?

**Hon Ms Lankin:** It has not been my intention to do that other than, I guess, by the various kinds of questions and answers I undertake in sessions such as this and with other organizations, at conferences and other gatherings I attend. As we explore opinion and ideas, I suppose some people might take from that indications of a direction, although I would like to assure the member that there have been no policy decisions taken on this issue within the ministry and I certainly have had no direct discussions with any of my other colleagues in government about directions other than the general directions of reviewing the steering committee report recommendations with members of the public and

using that reference and that information we receive in the development of ministry policy.

1630

I can honestly tell you that I do not have firm conclusions with respect to some of these issues at this point in time. I'm anxious to get more feedback and to hear a bit from people what they think about these recommendations, at the same time as I'm reviewing the recommendations and understanding them myself.

The member will be aware that well over two years of work went into the steering committee's deliberations in developing these recommendations. I myself, having been in the portfolio for a year, have learned a great deal with respect to the hospital system, local planning through district health councils, relationships between communities and hospitals, and relationships between groups within hospitals. I still continue to learn as we go along. In discussions about the task force recommendations I'm provided with an opportunity to focus those deliberations and discussions and hopefully gain from people's advice and their own experience with respect to these issues.

At this point in time I don't have conclusions about the direction government should head in. I will be working on that over the course of the summer and looking forward to hearing from the parliamentary assistants and other MPPs who participate in what is admittedly a very quick and short round of information gathering but will, I think, be important to help us develop at least a first indication of the direction of government policy and a foundation for legislation.

**Mrs Sullivan:** In the continuing discussion in relation to the Public Hospitals Act, do you at this point see a need for a different approach in terms of governments and other very important issues that are included in the hospitals act for tertiary and teaching hospitals versus community hospitals?

**Hon Ms Lankin:** Could you be a bit more specific?

**Mrs Sullivan:** Do you think there would be a need for perhaps even a separate act for the tertiary or teaching hospitals, or special provisions in comparison to community hospitals?

**Hon Ms Lankin:** The point you raise is an important one, particularly as we talk about issues around governance. I attempted to indicate that I saw the definition of "community," when you talk about community accountability, as differing in some cases from institution to institution. For example, when you talk about tertiary or specialty hospitals, if you take the Hospital for Sick Children, the community that Sick Kids and its governance structure are accountable to is not an easily identified community on a geographical basis. There is a province-wide constituency, in fact a national and international constituency.

I would be interested to hear suggestions and comments on those areas. I expect I will, particularly from the teaching hospital community. I'm receptive to ideas for differential approaches if that is seen to be necessary as we review these recommendations.

**Mrs Sullivan:** Have you agreed to the proposal of the hospital association for a role study for small hospitals?

**Hon Ms Lankin:** I think it would have been proposed through the joint committee with the OHA and the ministry. I am advised by the deputy that we have received it. We haven't responded at this point in time.

**Mrs Sullivan:** When would that decision be made in terms of determining whether you would concur that there was a need for, and that you would proceed with, a role study?

**Hon Ms Lankin:** I'm sorry; I'm unable to answer that question. I haven't seen the materials that have been submitted or the proposal at this point in time, so I can't tell you when I would be prepared to provide a response on that.

**Mrs Sullivan:** I wanted to lead from that position into the role study of the chronic care hospitals.

**The Chair:** You have three minutes in which to do that.

**Mrs Sullivan:** Given three minutes, I will ask a short question. First, when do you expect to see the chronic role study? How have decisions associated with consultation on the Public Hospitals Act and on closure of chronic care beds been made before that role study has been received in your ministry?

**Hon Ms Lankin:** We expect to receive the final results of the chronic care role study by December of this year, I believe. There have been no decisions with respect to the Public Hospitals Act that would be directly related to the chronic care role study. Various institutions have taken decisions with respect to acute care and chronic care beds across the province in light of their budget setting and priority setting and in consultation with other regional hospitals and district health councils as planning vehicles. Those decisions have not directly been related to the role study being undertaken at this point in time.

**Mrs Sullivan:** I guess that's it, Mr Chairman.

**The Chair:** Thank you very much, Mrs Sullivan. Mr Wilson.

**Mr Jim Wilson (Simcoe West):** Minister, I've tabled with the clerk many written questions I and my colleagues have, and I'd ask him to give you a copy. I won't be referring too often to that document in the next half-hour. I have some fairly real-life, general questions for you.

The first one is regarding the future of the psychiatric institution referred to in question period today by the leader of the Ontario PC Party, Mike Harris, and that's the Oak Ridge centre in Penetanguishene. Minister, 14 staff members have recently been given pink slips and there's currently a rumour in the community that because of the downsizing at that institution perhaps the institution is slated for closure. Over the years promises were made—I understand from my colleague Mr McLean, anyway—that in fact the institution was to be expanded and rebuilt; parts of it are quite old. I was just wondering if you've got any general comments at this time on the future of that particular institution.

**Hon Ms Lankin:** Yes, I can tell you that three successive governments have attempted to deal with the issue of Oak Ridge and the future of Oak Ridge. I am sure you are well aware many reviews have looked at the relationship between the Ministry of Correctional Services and the



Ministry of Health and the responsibilities for that facility and/or the use of that facility. We have not gotten any further in this government than any other government has with respect to plans around the future direction of Oak Ridge.

One of the things that is perhaps different as we face this continuing problem—I guess there are a couple of things. First, the economic situation the province and the community faces means that ongoing employment is probably even more critical than it would be in the good times—even though I think it's always been critical to that community, so that's perhaps not much of a difference.

What is different is the legal atmosphere with which we look at the issue of incarceration and/or detainment of patients under Lieutenant Governor's warrants and those kinds of warrants. With decisions like the Swain decision, with the need for government to be able to respond more quickly through the judicial system and health system to be able to house these individuals, move them very quickly to appropriate long-term accommodation for treatment and appropriate assessment in terms of levels of security required, it's clear that our system, as it is currently in place and as it has been for a number of years, is not capable of meeting the demands that will be placed upon it as a result of the Swain decision.

Therefore, we're taking some steps to attempt to correct that. The first step is to enhance in a number of centres across the province our capacity to deal with medium security forensic beds. That is the highest priority we face. As you know, the Oak Ridge facility is a maximum security forensic situation. In fact, even within that there are individuals who have been assessed as requiring lesser security than is provided at Oak Ridge and I think we are under considerable pressure as a ministry to respond to that and to move them out to medium-security facilities once those become available.

**Mr Jim Wilson:** Can you assure the community there that, with the decline in the number of staff, the community is safe and that those residents are where they should be: in the institution?

**Hon Ms Lankin:** With respect to the security of the facility?

**Mr Jim Wilson:** Yes.

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**Hon Ms Lankin:** Well, in all of our facilities there are no doubt incidents that happen from time to time, and always have, that would give rise to community concern. But in all of our facilities the decisions that are taken with respect to levels of staffing and any change in levels of staffing give first and foremost consideration to the issue of security, the welfare of both the patients and of the community the facility is located in.

The issue I thought you were going to with respect to assuring the community is that one of the other issues that's been of concern to the community is the ongoing presence of the provincial government in that community and the jobs that are associated with that and what that means to the economics of the community. I can certainly assure you that I'm well aware of that and sensitive to that.

I think that is one of the issues that has bedevilled three governments now with respect to the future of Oak Ridge.

There's no doubt that there have been numerous reports and studies and opinions offered within the system itself to suggest that the facility at Oak Ridges is not the ideal kind of facility we would want to continue to use for any patients within our system.

**Mr Jim Wilson:** Minister, I'm having a little problem ascertaining the answer, really. Can you assure the community that over the term of your mandate, for the next three years, Oak Ridge will not close?

**Hon Ms Lankin:** What I've indicated is that I am very sensitive to the needs of the community. At this point in time there's no decision, or even an inclination right now, to close Oak Ridge. There have been many reports suggesting Oak Ridge should be closed. My challenge would be to determine with government what sorts of community initiatives would replace an Oak Ridge, if that were to happen. At this point in time there are no plans to close Oak Ridge. However, I cannot project two, three, four years down in the future.

**Mr Jim Wilson:** Okay. Thank you.

Minister, I'm disturbed by an article that appeared in today's *Globe and Mail*, and I am sure you've seen the article, entitled "Surgeons Go South to Find Respect." The article stems from the question I asked you in the Legislature in December when, you'll recall, I listed a number of top specialists, including Dr John Kostiuk, a spinal specialist who has left Toronto Hospital and has gone to Johns Hopkins in the United States; Dr Steve Esses, a spinal specialist who has left Toronto Hospital and is now in Houston at Baylor hospital; Dr Peter Armstrong, a children's orthopaedic surgeon who's left the Hospital for Sick Children and is now at a hospital in Salt Lake City; Dr Debbie Bell, a children's orthopaedic surgeon, now in Detroit; Dr Peter Brooks, Dr Bob Jackson, and the list goes on and on.

I just want to quote from the article. It quotes Dr John Wedge, chairman of the University of Toronto's department of surgery, who says, "We're losing the superstars, the highly qualified, highly specialized individuals."

Dr Marvin Tile, an orthopaedic surgeon, goes on in the article—well, I'll just point out what his reasonings are. They're paraphrased in the article. It says:

"Dr Tile pointed to other reasons why 27 orthopaedic surgeons have left Ontario in the past two and a half years. As hospital beds close and resources become scarcer, Dr Tile said, medical 'hassles' increase, operating room access becomes shorter, quotas are put on certain operations and doctors are less involved in decision-making."

I guess succinctly, Minister, the question is, first, is the ministry tracking those top specialists who are leaving Ontario for other locations? Second, what are you doing to stem the exodus of these highly renowned specialists?

**Hon Ms Lankin:** As when you raised the question in the Legislature, the situation we actually experience in Ontario is not quite as might be inferred from reading an article such as this. There is actually a flow in and out of Ontario with respect to doctors in general, specialists in particular,



and even our most experienced and some of the most highly qualified and talented specialists.

For example, you may have read recently another article which gave a story of quite the opposite impression, and that is of a top surgeon who has come from the United States to Toronto to head up a lung transplant team, an academic researcher and a surgeon highly qualified, highly trained. So there is a to and fro that happens with respect to this issue.

Having said that, I think if you read the article carefully, in addition to the comments you indicated or paraphrased, what you will find, interestingly enough, throughout the article is a very consistent reference to the issue of how doctors are paid and to the disincentive some medical practitioners find in the fee-for-service structure of physician payment to practising high-quality medical care and/or to being able to engage in high-quality research activities and having to make the income through the fee-for-service process. In fact, many of the issues I've raised with respect to the problems we have around shortage of specialists in some areas, around higher quality delivery of services, relates to that structure of payment of physicians.

It may be of interest to you to know—maybe reassuring; I hope it's reassuring to you—that we are currently in negotiations with health science centres around this very issue. I think that in our academic health science centres we have realized that in fact the ability for research to be carried out has been funded by the necessity to do clinical work under the OHIP fee-for-service schedule and that this is perhaps an inappropriate way to fund that kind of activity. As we speak, we're looking at negotiations attempting to achieve, with those academic health science centres, an alternative payment plan that gives recognition to the various kinds of problems that are raised in here.

**Mr Jim Wilson:** So you will be moving away from fee-for-service to flat salary?

**Hon Ms Lankin:** To funding envelopes with respect to the activities that are being undertaken in the academic health science centres, and the payment of physicians within that may well be salaried with respect to their research work, for example. It is speculative only because the negotiations are ongoing; they have not been concluded.

**Mr Jim Wilson:** Who's undertaking these negotiations?

**Hon Ms Lankin:** The ministry is currently under negotiations with the academic health science centres, although there are representatives of the Ontario Medical Association who are involved in part of that. They represent physicians with respect to the current income of physicians. Some of the issues under negotiations with the academic health science centres, of course, are broader than that and the OMA doesn't have jurisdiction for that portion of the negotiations.

**Mr Jim Wilson:** There is a lot of concern out there, as I know you appreciate, and the article speaks of and quotes Dr Tirone David, who certainly is a leading heart surgeon here in Toronto. He's resisted the urge to go to the US, the article points out, but a lot of the specialists haven't. You say negotiations are ongoing. Will you, in the near future, be in a position to assure the people of Ontario that you have a plan to ensure that these specialists find it worth their while to stay in practice in Ontario?

**Hon Ms Lankin:** Again, I want to correct the impression that there is a mass exodus going on. I think it would be unfair to leave the committee with that impression. It is a two-way street. We are in fact attracting—

**Mr Jim Wilson:** How many have left and how many are coming in then?

**Hon Ms Lankin:** In the last numbers I saw with respect to specialists across Canada and in Ontario, slightly over 100 had left in the last year and one more had come than had left. Last year, when we reviewed the figures with respect to the question you raised on orthopaedic specialists, we had benefited from 10 more who had come into Ontario to practise than who had left. So there is a coming and going that takes place.

**Mr Jim Wilson:** I appreciate that. I am pleased to see that the ministry does do some numbers-tracking, but the point is that we're losing world-renowned specialists who have made a tremendous contribution and learned their trade in Ontario and are spending probably their most productive years now practising in the United States. So I'll leave it—

**Hon Ms Lankin:** Again, I think you give an impression that is not entirely correct with respect to what's happening out there, because we are actually also attracting very high-quality and talented people. Now, as I said to you, having said that, I do think we can organize the way in which we pay physicians and that we pay for academic research in a way that's much more conducive to high-quality research and better quality health care than using the fee-for-service system. Again, I point you to the article you make reference to and can see at least three or four quotes from different people interviewed in here, different specialists who have left who talked very directly about preferring to be in a salary situation than attempting to have to use clinical fee-for-service practice to make up for the research.

Those negotiations are actively being pursued right now. I hope they reach some conclusion in a timely fashion. I don't know if that will be in the next two months or four months, but there is a plan where the ministry is attempting to address this. We have entered into negotiations. We have commenced those discussions and we're actually quite hopeful of a successful conclusion from the point of view of the academic health science centres, these very important specialists, and from the point of view of the public and the ministry.

1650

**Mr Jim Wilson:** There continues to be a great deal of concern out there concerning the issue of delisting certain services now covered by OHIP. I guess the concern stems from the memo that was sent from the health insurance division of the Ministry of Health back on September 30, 1991. In that memo electrolysis was mentioned, which now has been delisted, and I think there was really all-party agreement for that, so that's not an issue at this point.

But other services that were under consideration, I guess, and I assume still are under consideration for delisting, were removal of tattoos; sex reassignment surgery; sterilization; reversal of sterilization; in vitro fertilization;

reduction mammoplasty; augmentation mammoplasty; repair of torn earlobes; newborn circumcision; male mastectomy, benign, and about six or seven that are on the page of the memo I have a copy of. Once again, I think it's important, Minister, that I give you the opportunity to clear the air on this. Can you assure people these services won't be delisted over the term of your mandate?

**Hon Ms Lankin:** I appreciate your giving me the opportunity to once again reassure you that the process we have undertaken with respect to this and any other issue we look at in terms of insured services is one that will be based on, first of all, good, documented, epidemiological evidence as well as full and thorough discussion with affected parties.

I have said time and time again that I will not be dissuaded from asking questions about how we can better organize ourselves to deliver health care services and what are appropriate services and what may not be. I tell you that the list was generated as a result of one such question. I asked the question at a certain point in time, what did we pay for or cover in Ontario that was different than in other provinces, in both directions, ie, what might other provinces cover and consider appropriate as insured health services that we don't and what do we cover that other provinces don't? That generated that list and I think it is interesting to take a look at that question and it is right to be able to explore that.

Having said that, I'm not at this point in time actively pursuing delisting of any particular insured service. I do think there are some questions that can be raised with respect to what kind of criteria have been applied with respect to various insured services, whether or not we're getting good results for the resources we invest, and that is an issue that is much broader than that particular list.

**Mr Jim Wilson:** Minister, I don't think—

**Hon Ms Lankin:** I'm not finished yet, Mr Wilson; sorry.

**Mr Jim Wilson:** You've had a great deal of time to answer the question.

**Hon Ms Lankin:** That is the issue that is being explored by the establishment of ICES at this point in time, which is the Institute for Clinical Evaluative Sciences.

It's fine by the sort of tyranny of fear etc to say, "Don't look at anything; everything's sacred," but I think it's really important as we go through this period of time to really be allowed to look at things and to involve people in discussion. I am not at this point in time moving ahead with delisting of any further insured services.

**Mr Jim Wilson:** Okay, I appreciate that. I don't think people are arguing with the parameters you speak of and I don't think people are arguing that we shouldn't look at certain services. I think everyone would recognize that's your right as health minister.

The concern comes from, who are you consulting with other than ICES? Who else are you consulting with? We see the example in Oregon. They came up with their list of services, those that the state would cover for those previously uninsured individuals in the state and the list the state would not cover under its medicare plan. Our concern is that you're not discussing with the public.

I'm going to ask you, before you delist any services other than electrolysis, which has been delisted, will you undertake a comprehensive public consultation, much like that which was carried out in the state of Oregon? They had citizen senates and spent several years—I think three good, solid years, it could be argued, and more—reviewing this, looking at the data available. I know you're generating the data now. That's a good thing. I don't think anyone argues with that. But will you undertake extensive public consultation?

**Hon Ms Lankin:** Not of the Oregon type, because we're not going to undertake, I hope, an Oregon exercise in this province. I hope we never get to the point of having to make those kinds of decisions of an absolute cutoff above and below a line and a list of what's covered and what's not. When you say we're only undertaking consultation with ICES at this point in time, if I could just clarify, we have asked ICES for information and epidemiological studies with respect to various kinds of insured services. That may lead to some appropriate adjustments with respect to medical guidelines and standards, as we've put out recently a guideline for the medical profession with respect to cholesterol and other testing.

I think that may and should occur as a result of this process. It may not be something for which we would undertake three to four years of comprehensive public consultation. If we were to undertake to delist a major insured service like psychotherapy, a very large activity which is not on the list—psychotherapy is not on the list; I'm using that as an example that's not on the list.

**Mr Jim Wilson:** No, but psychoanalysis is.

**Hon Ms Lankin:** Psychoanalysis is a form of psychotherapy. I'm using the broader definition. I'm suggesting that not to read into it that we're looking at delisting it. We are not. It's just one code activity. If we were undertaking any initiative with respect to something that is as widely accessed as services, we would have comprehensive consultation with the public. If it is something that is a more narrowly accessed service, then we would attempt to consult with those people in the communities who are directly involved in accessing that service.

Depending on recommendations and what comes forward, we would tailor the response. But I would not see a major initiative of delisting of numbers of items without having a large public consultation.

**Mr Jim Wilson:** I do want to ask you a question specifically put to me by my constituent Mr Donald Alderson from Alliston. It involves the government's recent decision to tighten the rules for residency for those seniors who spend a great deal of their winter months in Florida, the residency requirements now in Ontario so that they can retain their OHIP privileges. I just want to read from Mr Alderson's letter. It says:

"Most winters I spend approximately 170 days in Florida. As a result of this new residency law, I'm unable to visit another country or even another province in Canada for a period of three to four weeks. This certainly will hamper Canadian tourism."



He goes on to talk about the significant contribution that seniors make, that it really isn't possible to spend any less than 170 to 175 days per year in Florida because of the cost of maintaining a residence. He argues that one has to be allowed to stay there for a lengthy period of time. His final comment is, "There seems to be a constant erosion of the privileges afforded seniors." It goes on to another topic.

Do you have any comments on that? What message will you send to seniors? Actually, I have several letters; I just picked one from one of my own constituents.

1700

**Hon Ms Lankin:** I think the administration of our health insurance plan has been an issue that has plagued a number of governments and has begged to have some clear rules and consistency in application.

I think the steps we have taken with respect to restriction on out-of-country payments is one on which initial concern was raised by a number of people. But I feel from the correspondence I've received that public opinion and even the opinion of those most directly affected, like long-term semi-residents or visitors to the state of Florida, has come around to support the direction of the government with respect to having a consistent application that supports access to services at the same rate you would have if you were here in Canada.

The reason for that has been our attempt to ensure that we are not subsidizing a for-profit American hospital system with Canadian taxpayers' dollars. With respect to the residency requirement, it arises—

**Mr Jim Wilson:** Which was my question.

**Hon Ms Lankin:** I'm sorry, Mr Wilson, it is all related to out-of-country and to the changes that we made on out-of-country OHIP application. I think it is in that context that the question needs to be answered.

As the previous government made a decision to move from OHIP number to an individual health registration card and health number, it became necessary to define eligibility for the health number. That eligibility has always been defined as someone who is a resident of Ontario. The definition of residency therefore became a question and had to be clarified.

We thought a fair definition was someone who spent at least six months here as an active member of the Ontario community, economy, society and that would be a viable definition of residency. We have certainly indicated that where an individual has a case to make if a claim is denied on the basis of lack of eligibility on the residency clause, that can be appealed.

Individual circumstances can be taken into account. I just suggest to you that if the cutoff was five months, there would be some people who would make a case. If the cutoff was four months, there would be some people who would make a case. It is a question of defining what an Ontario residence is. If public opinion suggests this is wrong, and I haven't seen that, I'm willing to look at it. But we think a definition of half of the year is a reasonable definition of residency.

**Mr Jim Wilson:** Thank you, Minister. Mr Chairman, I believe my colleague Mr Arnott has some questions.

**Mr Ted Arnott (Wellington):** How much time do we have?

**The Chair:** Four minutes.

**Mr Arnott:** Minister, I have a couple of questions. I hope I can get the answers I require. With respect to the ministry's announcement of the Guelph hospital redevelopment almost a week ago now, the statement in the ministry's news release stated that the ministry has reserved \$58.6 million in capital funding for the Guelph hospital. Can you tell me as clearly as possible what exactly that means, that the money has been reserved?

**Hon Ms Lankin:** I'm not sure I understand your question. There has been an allocation of capital dollars to achieve the redefinition of the roles of the two hospitals, which necessitates capital redevelopment to consolidate all of the acute care and ambulatory care services on one hospital campus and long-term care services on the other. The planning process needs to be undertaken to actually accomplish that. That planning will be done within the allocation of \$58.6 million.

Any approval of capital dollars in the Ministry of Health—traditionally there is a capital allocation that's made based on the first assessment of what capital dollars are required. Then the parties move into doing the actual planning, the capital and architectural and functional planning which may require some amendment to that capital allocation.

**Mr Arnott:** Do the people of Guelph and Wellington county have absolute assurance that there is \$58.6 million that's going to be there for the purpose of hospital redevelopment within the next three years?

**Hon Ms Lankin:** Based on the functional plans and the planning process, if that money is required, yes, up to \$58.6 million. We will not say, when we get in and plan with them, that if what's needed in the community actually produces a plan that would cost less, the other money would be spent in an unnecessary way. But that money is secure and is in place, yes.

**Mr Arnott:** Does the ministry have a timetable setting out realistic deadlines for each stage in the planning process as we move ahead?

**Hon Ms Lankin:** We will be guided somewhat by the community and the partners themselves in that.

The next step is to try to deal with the issue of board governance and the transfer of responsibilities there. We believe we will receive ongoing assistance from Mr Blundell in that respect. We're hopeful to move ahead in an expeditious way at this point in time, but we actually need the communities to be involved in setting those deadlines.

**Mr Arnott:** Is there any possibility that this project will be fast-tracked by the ministry in any way given the receptiveness you have received to plan with and the comments you have made in the past?

**Hon Ms Lankin:** I actually don't know how to answer that question, Mr Arnott, because I'm not sure what will be required in the planning process until Mr Blundell has a chance to work with the two boards to see how easily we can facilitate the process of transfer of responsibilities. We



will continue to work away at it. It won't be put on the back burner. Whether or not it will require any expediting I'm not sure either.

**Mr Arnott:** Thank you very much.

**Mr Wayne Lessard (Windsor-Walkerville):** Madam Minister, recently I met with members of the AIDS Committee of Windsor. They were interested in pursuing a proposal for a needle exchange program in Windsor. I think this is an AIDS prevention and control program that our government supports.

It's my understanding that the funding for those types of programs rests with the public health branch. I think that as far as the estimates book is concerned, that's what is on vote item 2003-6. That's the one that deals with the public health section of the ministry and it funds support services to health units, for example. It's my understanding that as a result of the funding being in that section of the ministry, that funding can only be provided through local health units. In the example of Windsor, that would be the Windsor-Essex County Health Unit.

The health unit takes the position that they would only operate this needle exchange program at the offices of the health unit. It would be on the second floor of their offices, which is located on the main street in the city of Windsor. The members of the AIDS committee, who are part of an AIDS and injection drug-use working group, don't think that's an acceptable place to have that program. They've proposed to have it at a different location, but they wouldn't be able to do it at a different location because the health unit wouldn't be able to provide them with funding to do it there. That's the reason the health unit was proposing to have the needle exchange program at the health unit office, because it requires the staff from the health unit, pursuant to the collective agreement, to administer the program.

It seems to me—and this is the way it was explained to me by the members of the AIDS committee—that the only way to try to resolve this is to be able to have the funding available from a different branch of the ministry so that it could go directly to a community agency rather than through the health unit branch.

I have written to you with respect to this issue. I haven't received a response so far and I wonder whether you've had an opportunity to consider this.

1710

**Hon Ms Lankin:** Yes, thank you, I have seen the letter you wrote. In fact, I have signed a response. You should be receiving the response soon.

There are a couple of ways to try and get around the problem you flag in your question. The suggestion that perhaps in the future money for needle exchange programs flow directly to community-based organizations that could carry out the programs is one possible way of handling the situation. Another is what I think is actually happening, from my understanding, in Windsor: The community and the public health unit have continued discussions and have been trying to work out the problem with respect to the place of delivery of service and the classification and collective agreement implications for the staff who become outreach workers to deliver those services. I'm hopeful

that a solution has been found in the Windsor area that actually gets around the problem and that we will see that program delivered.

If we can find those kinds of flexible solutions, to continue to flow the money through public health is an appropriate activity. It is a responsibility of public health. They are community-oriented, prevention-oriented health deliverers. If we find, however, that our ability to provide sensitive service in the flexible way that needs to be done around programs such as needle exchange is inhibited because of the vote activity—where the money is placed—then I think we can address that in the future.

I look forward to your keeping in touch with this issue. I think the discussions have proposed a possible solution. That will be discussed in the very near future with the AIDS committee. If it's acceptable to them, we won't have a problem. Perhaps you can keep me informed as to the result of that.

**Mr Lessard:** All right. Thank you very much.

**Mr Paul Wessinger (Simcoe Centre):** Minister, I have been meeting with various representatives from district health councils. There seems to be a concern among many of the district health councils that they don't have adequate resources to carry out the planning duties that appear to be given to them. Also, I note that the district health councils have no legislative recognition.

I'm wondering if you might indicate what plans you have or what you're considering with respect to either expanding the role of district health councils or giving them some further defined role in the whole planning process in implementing our health strategies in Ontario.

**Hon Ms Lankin:** I have on a number of occasions delivered the message of my intent to rely on health councils as a very integral part of the planning process, through verbal means and written requests, sending directions to the hospitals and the health councils to undertake certain cooperative planning initiatives together.

The issue with respect to the lack of a legislative framework for district health councils has been raised on a number of occasions when I've been out visiting district health councils as well. It is an issue of concern to them. Again, some suggestions have been made that they might find a home within revisions to the Public Hospitals Act. That's something I hope you will take into consideration when you and other PPPs are on the road and hear from DHCs. I haven't a response at this point in time to say whether that's appropriate or not, but certainly I see them as being ongoing and continuing partners with hospitals with respect to planning and also to the whole continuum of health services and planning in their communities. It may be that the Ministry of Health Act might be a more appropriate place for them to eventually find a home.

I don't believe the lack of a legislative framework is a problematic barrier to their playing an important role. I think it's the nature of the support that the ministries and other partners in the health community give to the DHCs and the seriousness with which we all take their advice and their recommendations that will help them develop to their full potential in the process.

With respect to the issue of resources, of course this is a time where there are not a lot of dollars flowing around for enhancing transfer payments to various organizations. However, where we are asking DHCs to undertake specific and intensive processes, we have been able to assist them where they have required that assistance. In some cases the DHCs have been able to undertake from within their own resources various tasks we've requested of them. In other cases they have not been able to. For example, just recently we transferred \$500,000 to the district health council that is undertaking the process with the Windsor hospitals of looking at planning for further rationalization of services and community consultation to undertake that community consultation.

So we have, where it is required, attempted to deal with the resource issue. We haven't been able to do it across the whole vote for DHCs at this point in time.

**Mr Wessenger:** Minister, just on a different point, I don't know whether this is really something you can answer, because it relates to other ministries as well. It's a question of the public health units. As you know, they are financed jointly by both the Ministry of Health and the municipalities, and generally Ministry of Health dollars flow in accordance with the municipal funding in many instances.

**Hon Ms Lankin:** I'm sorry, public health or district health?

**Mr Wessenger:** Public health. The provincial funding is dependent, in many instances, on the level of municipal funding, and I know there have been some concerns expressed by various public health units that because of the cutback in municipal funding they're not able to fulfil their mandate. At the same time we're looking at the disentanglement process, and I'm wondering if this is an area of discussion with respect to the disentanglement process that could be one of those areas that could end up becoming a provincial responsibility.

**Hon Ms Lankin:** I'll ask the deputy to add to my response any details that may be helpful to the committee. There is a difference from municipality to municipality. Metropolitan Toronto is funded at a different ratio than other municipalities.

I think you're correct to flag it as a potential issue for disentanglement discussions. It has not been an issue that is central to those negotiations at this point in time, although it is one I have flagged for the government ministries that are involved in those direct negotiations with the Association of Municipalities of Ontario as a potential issue—that they should remember there is a joint jurisdiction here.

On the one hand, while the public health units are experiencing some problems as a result of differential treatment from municipality to municipality in terms of municipal decisions, I want to assure you that with respect to mandatory programs we have continued to finance those, and this year, again, at 100%. The new money is going in for new mandatory programs, expectations that the province has, and the funding has been put in place. But it still remains an issue, and that is overlapping jurisdiction and accountability,

and I know that gives cause for concern to some public health units.

**Mr Michael Decter:** I would just add that Dr Schabas, our chief medical officer of health, and I met recently with the leadership of the association and we addressed a number of concerns, but we have assurances that the money that's in our budget for this year will be able to be flowed, that there won't be a situation in which provincial dollars are not capable of being spent because the municipal matching isn't there. We wanted to be certain of that, and we have those assurances.

**Mr Wessenger:** Thank you. I appreciate that.

1720

**Mrs Sullivan:** I wonder if we could move on to an area that I think is one the last government put some attention to and about which there is still great difficulty in the communities, and that relates to cancer treatment.

We certainly know and have a lot of evidence from individual case requests that frequently, even after surgery is done, whether it's a situation of being referred to a regional centre for chemotherapy or radiology, those services are not available for some time and without a number of waits, to a point where, in some cases, patients are at risk.

We also know that frequently there is enormous travel time required because a space may be available within a regional centre for the delivery of treatment services in another community that is not available at a regional centre closer to the home base of the patient. In my community, by example, two patients within the past very short period of time have had it suggested to them that Sudbury is available for services, for radiology services in particular, and that basically is the only option available to the patient. There doesn't seem to be an ability to shift resources from one centre to another in terms of extension of services that could be offered at a regional centre because of population demand, and there's no consideration, of course, for a southern patient in terms of transportation assistance. There are additional costs associated with housing. To be away from home base and from family at a traumatic time is considered to have an impact on the patient recovery alone.

I wondered if you would comment on those issues and indicate how, whether it's through the treatment and research foundation or through other of the cancer delivery centres, the government is intending to address those issues. They're clearly widespread.

**Hon Ms Lankin:** Again I'll ask the deputy to fill in, in terms of additional information that may be of assistance to the committee.

Let me begin by acknowledging that the management of treatment of cancer patients is an important priority for government, has been since the days of the previous government and continues to be under this government.

I want to assure anyone who read press comments with respect to concerns raised within the report of a public inspections panel that went into the Northeastern Ontario Regional Cancer Centre that 293 patients were being referred out of province to the United States for treatment that the comments are completely incorrect. There is not a case in which patients are being referred out. In fact, if you



read the clippings of Sudbury papers of the last day or so, you will see a complete retraction on the part of the administration of the treatment centre and an explanation that the panel misunderstood their remarks and that they were talking about additional capacity, people they could treat with staff being added to their facility.

A very successful strategy that was undertaken by the previous government with respect to management of provincial resources was with respect to cardiac care and the cardiac care registry that was set up, which allowed us to identify capacity in the system on a provincial basis and to match patients requiring treatment to that capacity where it was available in the province. I think that is a model that is to be commended and has served Ontario well, and it is a model we are implementing with respect to the ability to redirect cancer patients for treatment to where there is capacity in the province.

I'm sure the member will understand that where we have at this point in time growing requirements for capacity, it needs to be an ongoing issue to be managed in terms of enhancement of services through the administration of the regional treatment centres under the Ontario Cancer and Treatment Research Foundation. That is an ongoing issue in terms of their budget-setting and their plans for enhancement.

You will be pleased to know with respect to the issues you directly raise of your constituents that there is an additional linear accelerator coming on line in Hamilton within the next couple of months. It's in the process of being brought up and running now, which will provide excess capacity to treat people in that part of the province. Additionally, there is a machine in the Northeastern Ontario Regional Cancer Centre in Sudbury that has not been funded by the ministry through OCTRF and has not been up and running. We recently gave approval through OCTRF to undertake the hiring of staff. Those discussions around the budget, setting the budget and implementing it in order to hire staff, are taking place right now.

I don't have the most recent update. As of a week ago, we were awaiting budget information from the centre. I don't know whether that has been received or whether the ministry has responded, but we expect—

**Mrs Sullivan:** Could you just clarify that again? I gather there was a fund-raising campaign in the Sudbury area, or something, to raise the capital for a machine, and the ministry has provided or has guaranteed provision of operating dollars. Is that what you're saying?

**Hon Ms Lankin:** That's under negotiation in terms of the number of staff and the budget, the actual amount of operating dollars. The machine itself, just so you know, was provided locally and put into the regional centre without being part of the provincial plan of where the next expansion of services should be. The example I gave of the next priority was for us to get the Hamilton machine up and running in terms of matching capacity to demand in the provincial area.

The Sudbury machine is there, however, and we have now given approval, about a month ago, to put the operating dollars and the staff in place so that there will be greater

capacity. At the same time, we're working with OCTRF on the cancer network.

**Mrs Sullivan:** That goes back to all sorts of arguments about lithotriptors and things and CAT scanners from previous days. I think I'll just leave that one alone.

**The Chair:** Yes, I would.

**Mrs Sullivan:** Some of them went into my community.

**Hon Ms Lankin:** I was going to say, the member sitting beside me has very definite opinions about lithotriptors so perhaps you would save me from that.

**Mrs Sullivan:** The other area moves beyond cancer to hospitals generally: I'm thinking particularly of Princess Margaret Hospital and the redevelopment situation there. The announcement of the redevelopment of Princess Margaret indicated there would be capital dollars available. It talked about the \$126 million that would be flowing and the 16 new radiation therapy machines, the availability of those machines to accommodate 7,000 new patients a year. However, somewhere in this release it says the hospital must find ways to fund the operating costs of additional beds through innovative use of its current operating budget.

A very similar kind of sentence is being included in all your public hospital capital announcements. I'm particularly interested in this question in relation to cancer services. Has there been any analysis done within those institutions or within the Ministry of Health to suggest that in fact after your government leaves, the next government won't be called upon to provide those operating dollars?

**Hon Ms Lankin:** Specifically with respect to Princess Margaret, I'd like to make a couple of opening comments and then ask the deputy to provide you with information, because he was directly involved in discussions with the parties there. I'm actually very pleased about the process that was undertaken arriving at that determination, that we could provide the capital dollars and rebuild the institution and the services could be provided within the existing operating allocations.

I want to assure you that the principals of the hospital, the district health council and other health partners in the Toronto area and regional area that were involved in those discussions, felt it was a good process to arrive at that conclusion and recommendation. What they wanted most from the ministry, once they had arrived at the decision to recommend it, was a very quick response assuring them of a go-ahead on the project, which we did. As you may know, the sod-turning was on Friday of last week. It was a very important and exciting event for the community of the Princess Margaret Hospital.

Perhaps the deputy can give you some more information about the process we undertook there.

1730

**Mr Decter:** Yes. This project was at tender when the guidelines were announced in January and the tender should actually have been received, so we had a very short period of time in which to look at the question of the additional beds and the increased operating cost that was sought in the original approval.



We asked a panel of three talented individuals to have a very quick look and meet with all the parties involved and to give us an answer really to the question of whether the project should proceed as planned, should proceed on some other basis or should go back to the drawing-board.

The three individuals were Dr Edmond Clark, who is the chief operating officer of Canada Trust, but has served previously in the government of Canada and sits on the board of one of the other hospitals in town; Patricia Main, who had some distinguished service with the Toronto DHC, and Murray MacKenzie, who had the dual talents of being a CEO in a hospital—I believe North York but someone will correct me if I'm off—and had also been the chair of the Ontario Cancer Society, so someone with a good working knowledge.

They met with all the parties involved, the Princess Margaret and the adjacent hospitals, because the question we were faced with was, if there are beds vacant in Mount Sinai and Toronto Hospital, why would you build new additional beds on University Avenue, why wouldn't you enter into cooperative arrangements to utilize beds that are already there?

The answer we got back was that there are already strong linkages between the Princess Margaret and the other hospitals and those can be built on and enhanced. The advice we received was to approve the current level of beds in the new facility, but to build out the full building; that is, there will be a capacity, some additional space, in the new building that could be allocated either to beds or to additional research space. The trend in cancer care is towards outpatient, as it is in other areas of treatment, and we're hopeful that by the time the building is up that space may well be required for researchers because of the enviable reputation of the Princess Margaret for attracting the best and the brightest and also the resources to support them.

It would be a decision to be taken down the road as to whether, if additional beds were required, additional operating funds would be required, but as it stands, what the Princess Margaret will have is a new and first-class facility with the same number of beds. We believe and they believe that can be operated within the existing operating budget. In a new building there are some economies, logistical and energy efficiency and so on, but we will continue to work with them on the detail of the budget, as we are working with other hospitals that have new buildings coming on.

So it's not inconceivable that down the road there might be a decision by the ministry and the minister to review that. We look at everybody's operating budget as circumstances change, but we think that it's affordable within the current resources. That's our best view and confirmed by an independent group we had confidence in.

**Mr Jim Wilson:** Mr Chairman, you had indicated to me earlier today that you had one question you wanted to ask. I wonder if we could get all-party consent to—

**The Chair:** Yes, if it's in the 15 minutes left that are allocated to Mr Wilson's caucus, do I have unanimous consent of the committee for me to use a moment of his time to put a question? Otherwise, I'll leave the chair and go through all that. Is that okay, just a brief question?

**Mr Jim Wilson:** The NDP wants to screen your question first, Mr Chairman.

**The Chair:** Seeing no objection, Minister, Mr Wilson raised a question earlier with respect to the residency requirements for an Ontario health card. I believe I may have heard you correctly when you indicated that certain polling data and public opinion supported your adjustment.

In the last two days my staff have been in contact with your ministry and we're having difficulty getting some answers. So, with your permission, I'll put a couple of these questions on the record for your staff to consider, if you could get back to us.

It's my understanding that the dates for classification for residency were moved from eight months to approximately six months. That's a substantive adjustment. If you could indicate to the committee the basis on which the decision was made, when it was made and what cost implications are there—we're talking about disfranchised. We're not talking about not paying the medical fees of someone who's out of province; we're talking about them being ineligible for an Ontario health card.

We could be talking about a substantive number of Ontario residents who, by virtue of days or months or weeks, may be disfranchised from all their benefits. If that is in fact the understanding, were you able to do an economic impact on that and could you share with the committee what your projected numbers and/or savings are—which could be translated into the number of Ontario residents who previously enjoyed an Ontario health card and who now would be relieved of it—and could you indicate what efforts your ministry has made in terms of public notice of this matter, in fact how they were informed that the residency date was changed?

Also, I'm hearing that the concept of what constitutes a residence has been changed. It would be helpful if you would clarify that, because most trailer parks in Ontario are open for five and a half months and since the six months becomes a benchmark—

**Mr O'Connor:** I asked this question last time.

**The Chair:** Well, no. Frankly, I don't really want to do this in the House. I have a whole series of things I would prefer to just put on the record, Mr O'Connor.

Could we get some very clear language in terms of what constitutes a residency? And since you're responsible for long-term care, could you be rather specific with what we're understanding is your encouragement for families to live together outside of institutional care so that they can have family members supporting other family members? It would almost appear that one ruling pulls at the direction of the nuclear family growing a little and getting us through the deinstitutionalized future that we're being told is at the core of community-based health care.

Finally, could you indicate if there are any legal examinations with respect to the Canada Health Act and the spirit of the Canada Health Act where someone's call, for any reason, to be out of Ontario in another province would constitute grounds for them losing their Canada Health Act benefits in their so-called resident province, because it's possible for a Canadian to not be disputed as a Canadian

but, residency catch-22, become ineligible for health care benefits. Perhaps you could share with us any legal opinions that no Canadian could be so disfranchised.

Ultimately, if it's of any value, was there any consideration of the free trade agreement which now says that Ontarians can pay their taxes in either jurisdiction, and is that somehow tied to your government's decision?

I appreciate the opportunity to get those on the record and I'd be pleased to discuss with the deputy in further detail any studies, notices, proper definitions and cost savings, if any, and the impact on the Canada Health Act.

Thank you very much, committee. I'll turn this back to Mr Wilson with his 10 minutes remaining, in recognition of the fact that the House may call us for a vote at about 10 to.

**Mr Jim Wilson:** Thank you, Chairman. I note with humour that your question is about as succinct as the minister's responses.

**Hon Ms Lankin:** I'm glad you noted it.

**The Chair:** You shouldn't have given me the chair.

**Mr Jim Wilson:** But an excellent question, Chairman, and I'll be looking forward, as you are and as our constituents are, to the response from the ministry.

Minister, I have a couple of questions really concerning long-term care redirection and the policy of your government. I want to do this sort of in a non-partisan manner. In the consultation paper issued last December, one of the goals of the process which were listed was a "continued preference for not-for-profit service delivery."

Minister, I'd like to hear your opinion whether the emphasis is on continuation or on the preference. Specifically, do you intend to continue maintaining a balanced system with a mix of not-for-profit and commercial providers, or do you plan to prefer the not-for-profit agencies by changing the system so that it tilts more in their favour?

1740

**Hon Ms Lankin:** In the process of the consultation we undertook, Mr Wilson, we actually heard extensive opinion on this particular subject. It may be because it was one of the issues that was flagged in the consultation paper, and it may be fair comment on anyone's part to suggest that, but I have to tell you that the opinion we heard back from the community out there and from seniors, their families and providers was overwhelming in terms of the preference for not-for-profit delivery of these services.

We have some problems with the current mix of commercial and not-for-profit delivery mechanisms in place right now that I think you will appreciate, if I can share some of them with you. It's a challenge in terms of the long-term care redirection and enhancement of services.

You asked a specific question, whether my preference is for expanding not-for-profit or a continuation of the current mix. The problem we've seen over the last number of years, particularly since 1986 and the implementation of the integrated homemaker program, is actually a very rapidly shifting balance towards the commercial sector in certain geographic areas in the delivery of service—these are in-home services I'm talking about—in particular in large urban areas as opposed to the harder-to-serve rural and geographically dispersed areas.

It has a particular challenge for public policy and government provision of services or ensuring of provision of services: to find a way to keep the not-for-profit sector stable with a sizeable or significant enough market share to be able to continue to deliver the services to the hard-to-reach and more expensive delivery of services in rural and northern parts of the province when large parts of the market share are being taken up by a relatively small number of commercial operations in large urban areas.

I don't have a solution to this yet, but through the consultation we heard from many of the not-for-profit operators—the Victorian Order of Nurses and others—about the need to ensure stability in the not-for-profit sector to be able to make sure we can deliver in those areas that the commercial operators are not delivering services in. To be fair, we also heard that there is a need for the not-for-profit sector to be more flexible in the way it delivers its services. I think there are some interesting challenges on both sides of this issue that we need to grapple with.

**Mr Jim Wilson:** You envision continuing the mix, as I understand your response. Can you give assurances to the commercial agencies that are currently operating that there isn't a movement in your ministry or from you to put them out of business? Frankly, that's the language they use when they write and speak to us. They are very concerned. Frankly, I don't know whether it stems from any reality or whether they're extrapolating from what they believe to be NDP philosophy in these areas.

**Hon Ms Lankin:** Okay. I think the first statement you made was that you took from my answer that we're going to continue the mix of services. I think the answer I gave you was identification of a number of problems with the current situation. I don't think we can continue to have a—

**Mr Jim Wilson:** I was being nice to you.

**Hon Ms Lankin:** But I want the record to be clear that I didn't say that, because I see our being presented with some problems that we have to figure out some policy answers to. No, we're working on the policy answers, and decisions haven't been taken that will have an immediate impact on those sectors.

**Mr Jim Wilson:** Well—

**Hon Ms Lankin:** Let me answer the second part of your question, which was, can I assure people that I'm not taking decisions right now that are immediately going to put them out of business? You indicated that you're hearing a lot of concern out there. I'm surprised at that, because there really are, in terms of substantial activity in the commercial and home service sector, four commercial operations involved here. Although they are taking over a growing share of the market of delivery of services in large urban areas, their activity with respect to government-funded delivery of services is not the majority of the business they're in. It's less than 50% of their activity.

**Mr Jim Wilson:** But it's a significant part.

**Hon Ms Lankin:** Yes, I think that's fair. It varies from company to company, but it's less than 50% of their activity. They are involved in enhanced delivery of services. I think there is a continuing market for those firms,



depending how much they are involved with government-funded services.

I've been very frank to put on the table for you the kinds of issues we face, from a policy perspective, in terms of ensuring continued quality of care across the province and in terms of ensuring that we have a viable not-for-profit sector involved in the delivery services, particularly as we continue to shift the institutional services that are currently covered under the Canada Health Act and assured to be non-profit administration to the community delivery of services, and which of those services should be maintained within that sphere. There are a number of policy issues there that need to be sorted through.

**Mr Jim Wilson:** Minister, I don't think that's a lot of assurance for the commercial agencies that are currently operating. I guess I don't understand where the problem is with having the mix we now have. Can the private sector not be involved in health care and deliver it efficiently and effectively?

You mention that you're worried about ensuring that the not-for-profit sector is stable. You worry me when you say that although you believe there's a continuing market out there for the commercial delivery of services, you're a little less clear on whether the government will continue to use commercial agencies to deliver services.

**Hon Ms Lankin:** I think I've said to you very clearly that in the consultation these issues were put squarely to the government and that the overwhelming recommendation was that we should be delivering all our services through the not-for-profit agencies. What I've identified for you are some of the policy reasons that lead people to make those recommendations, and they're issues that government needs to grapple with. You say you don't understand some of the concerns. Maybe I can try and articulate them again. Over the course of the history of enhancement of in-home services, and particularly since 1986 and since the introduction—

**The Chair:** Is this a short history, Minister? We've got about half a minute before we're called to the House.

**Hon Ms Lankin:** Yes, it is.

**The Chair:** Good.

**Hon Ms Lankin:** Since the introduction of the integrated homemaker program, we have seen a very rapid escalation of the activity of the commercial sector, so rather than talking about continuation and activity, they have been taking over more and more of the delivery of services.

**Mr Jim Wilson:** Is that good or bad?

**Hon Ms Lankin:** It's a problem because they're doing it particularly in large urban areas where the unit costs of delivery of service, because of geography and other reasons, are lower. What it means is that the not-for-profit only delivers in the more expensive areas of delivery of service, where geography and others place challenges to the cost per unit of delivery of service. You have an instability happening with the ability of the not-for-profits to maintain market share and maintain their ability within the same funding per diems of services that the commercial sector has. I think that should be a problem for all of us so we're trying to grapple with that right now.

**Mr Jim Wilson:** I understand—

**Mrs Sullivan:** Are you only concerned about integrated homemakers? Is that what you're just saying?

**Hon Ms Lankin:** No. I'm saying that in-home services, which is homemaking—in integrated homemaker it's broader but it has become a more noticeable trend since integrated homemaker has been introduced. That's where the biggest growth of the commercial activity has been since the introduction of that program.

**Mr Jim Wilson:** Minister, just this final comment, then, very quickly: Could it not be, though, that during the consultations on the redirection paper, as you say in your own words, you had an overwhelming impression or overwhelming number of recommendations, from people who partook in the consultations, raising these concerns about stability and continuing viability of the not-for-profit sector, I guess, mainly because, in your own admission in answer to the question, you note there aren't that many in terms of numbers of commercial agencies delivering these services? Could it be, if you're just looking at numbers and the numbers of recommendations you receive, that a lot more people are involved in the not-for-profit sector and took the opportunity to speak and voice their concerns at the consultations?

**Hon Ms Lankin:** I think that in terms of sheer numbers as opposed to percentage of activity, you would be right in making that comparison. I should point out to you that we heard those comments very clearly, not just from not-for-profit providers who would talk about the issue of instability—without doubt they would raise that—but also from consumers, from seniors and their families in terms of a preference for the way in which services should be delivered to them in their communities. So it was more than the not-for-profit sector itself that was saying this, but I would acknowledge that in terms of numbers of voices, the commercial sector would be a smaller number of voices, although it has a growing share of the market activity.

**The Chair:** Perhaps, Madam Minister, it would be helpful to the committee if there's any information you can share with the committee with respect to any committee or any group within your ministry that is studying the issue of the commercial participation in health care: if such a committee exists now to discuss these matters and if it has terms of reference or a budget or a guideline.

**Hon Ms Lankin:** I think this comes back to the allegation that there's a secret task force. There is no secret task force. As a result of long-term care consultation, some of these issues have in fact been raised in the consultation. They are policy issues, along with a lot of others that government is currently working on. When policy decisions have been taken with respect to the long-term care redirection, we will be providing that to members of the Legislature and the public.

**The Chair:** Had you allowed me to finish, I would have indicated, if anybody is studying these matters, if those individuals who are in fact studying them or considering them or analysing them or have been contracted out to do same, if you could—I don't doubt that there is no secret operation. I'm just simply saying that either this stuff is collecting dust in a file cabinet or somebody is looking at



it and analysing it and putting it into a synthetic arrangement for you to consider. That's merely what I said would be helpful for the committee.

**Mr Jim Wilson:** I have doubts.

**The Chair:** Well, the Chair doesn't have doubts. He just seeks clarity from time to time.

If there is unanimous agreement, we will adjourn until 3:30 or immediately following routine proceedings tomorrow to reconvene for the estimates of the Ministry of Health. This meeting is adjourned.

The committee adjourned at 1755.



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## STANDING COMMITTEE ON ESTIMATES

- \***Chair / Président:** Jackson, Cameron (Burlington South/-Sud PC)
- Vice-Chair / Vice-Présidente:** Marland, Margaret (Mississauga South/-Sud PC)
- \*Bisson, Giles (Cochrane South/-Sud ND)  
Carr, Gary (Oakville South/-Sud PC)
- \*Eddy, Ron (Brant-Haldimand L)  
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- \*Lessard, Wayne (Windsor-Walkerville ND)
- \*O'Connor, Larry (Durham-York ND)
- \*Perruzza, Anthony (Downsview ND)  
Ramsay, David (Timiskaming L)  
Sorbara, Gregory S. (York Centre L)

### Substitutions / Membres remplaçants:

- \*Sullivan, Barbara (Halton Centre L) for Mr Ramsay
- \*Wessenger, Paul (Simcoe Centre ND) for Mr Ferguson
- \*Wilson, Jim (Simcoe West/-Ouest PC) for Mr Carr

\*In attendance / présents

### Also taking part / Autres participants et participantes:

Arnott, Ted (Wellington PC)

**Clerk: Greffier:** Carrozza, Franco





Ontario

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## Assemblée législative de l'Ontario

Deuxième session, 35<sup>e</sup> législature

# Official Report of Debates (Hansard)

Wednesday 10 June 1992



## Standing committee on estimates

Ministry of Health

# Journal des débats (Hansard)

Mercredi 10 juin 1992

## Comité permanent des budgets des dépenses

Ministère de la Santé

Chair: Cameron Jackson  
Clerk: Franco Carrozza

Président : Cameron Jackson  
Greffier : Franco Carrozza

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# LEGISLATIVE ASSEMBLY OF ONTARIO

## STANDING COMMITTEE ON ESTIMATES

Wednesday 10 June 1992

The committee met at 1527 in committee room 2.

### MINISTRY OF HEALTH

**The Chair (Mr Cameron Jackson):** I'd like to call to order the standing committee on estimates.

**Mr Gregory S. Sorbara (York Centre):** Mr Chairman, I understand the minister is not available today. Under the circumstances and consistent with the way in which estimates have been run generally around this place, I move that the committee adjourn to its next sitting, which I understand is next Tuesday afternoon.

**Interjection:** Excuse me, I couldn't hear you.

**Mr Sorbara:** Oh, I'm sorry. We've been given to understand, and I think the Chairman has confirmed, that the minister is not available to participate in estimates today. In view of those circumstances and in view of the tradition of not proceeding with estimates in the absence of the minister during an estimates hearing, I move that we adjourn the committee, to continue the Health estimates at the next sitting of the committee next Tuesday afternoon.

**Mr Gilles Bisson (Cochrane South):** First of all, I think everybody understands why the minister is not here.

**Interjection:** I haven't heard.

**Mr Bisson:** I'm sorry, I'll explain. The minister is sick. She is not well and is at home.

**The Chair:** The minister served notice through her staff that she is ill and we wish her best wishes for a speedy recovery.

**Mr Bisson:** With regard to the question of the minister, standing order 62(a) says basically that the minister or the person answerable for the estimates is allowed to answer the questions of the members of the committee. My under-

standing is that the parliamentary assistant will be here today and will be able to answer questions, and the deputy minister will be here as well. The difficulty we have is that if we don't do it today, we're going to be pushed back even further. So I would vote against your motion.

**The Chair:** Do you wish to have a lengthy discussion?

**Mr Sorbara:** Just to say I'm sorry to hear that. We'll proceed with the motion in any event, but the tradition of the estimates committee has been, Gilles, that the committee defers to the timetable and, under certain circumstances, the availability of the minister. When the minister's not here, the committee adjusts its schedule. So I just proceed with my motion and I hope you won't interfere with it. I hope you won't lightly trample on that tradition; let me put it that way.

**Mr Bisson:** On the question of tradition, I know last year when Treasury was before the committee in order to make its presentation, the parliamentary assistant substituted for the Treasurer as the Treasurer had to be away on government business. It has been done before that the parliamentary assistant sits in.

**The Chair:** As a point of record, the committee activities ceased operations at the point at which the parliamentary assistant assumed the chair. For that reason, they didn't complete the estimates, because of the absence of the Treasurer.

I'd like to call the question. All those in favour? Those opposed, if any? The motion is carried. This committee stands adjourned until Tuesday of next week following routine proceedings, at which time we'll reconvene to continue the Ministry of Health estimates.

The committee adjourned at 1530.



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Wednesday 10 June 1992

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### STANDING COMMITTEE ON ESTIMATES

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## Legislative Assembly of Ontario

Second session, 35th Parliament

## Assemblée législative de l'Ontario

Deuxième session, 35<sup>e</sup> législature

## Official Report of Debates (Hansard)

Tuesday 23 June 1992

## Journal des débats (Hansard)

Mardi 23 juin 1992

## Standing committee on estimates

Ministry of Health

## Comité permanent des budgets des dépenses

Ministère de la Santé



Chair: Cameron Jackson  
Clerk: Franco Carrozza

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# LEGISLATIVE ASSEMBLY OF ONTARIO

## STANDING COMMITTEE ON ESTIMATES

Tuesday 23 June 1992

The committee met at 1530 in committee room 2.

Nays—6

### MINISTRY OF HEALTH

**The Chair (Mr Cameron Jackson):** The Chair recognizes a quorum. I'd like to call to order the standing committee on estimates to resume the estimates of the Ministry of Health, with approximately four hours and six minutes remaining.

**Mr Paul Wessenger (Simcoe Centre):** Mr Chair, I don't think there's a quorum.

**The Chair:** The Chair has recognized a quorum. I see representatives from every political party here. If the parliamentary assistant would please take his seat, it would be helpful.

**Mrs Barbara Sullivan (Halton Centre):** Mr Chair, due to the fact that neither the minister nor the deputy is, again, available to appear before the estimates committee to deal with the estimates of the Ministry of Health, I move adjournment of the committee for today's session.

**Mr Wessenger:** I'd ask for a 20-minute bell, a 20-minute vote on this.

**The Chair:** Very good. The request is for 20 minutes to caucus your members.

**Mrs Sullivan:** Mr Chairman, the committee is to start its proceedings at 3:30. This is the second day in a row the minister has not been available. The members of the committee who are assigned to the committee have an obligation to be here to participate in the activities, and the minister has a responsibility to appear and defend the estimates.

**The Chair:** Mrs Sullivan, excuse me, but we have a motion to adjourn. It's not debatable. There's been a request for 20 minutes. This meeting is adjourned for 20 minutes.

The committee recessed at 1533.

1553

**The Chair:** I call to order the standing committee on estimates.

**Mr Gilles Bisson (Cochrane South):** A point of order.

**The Chair:** No. We're in the middle of a vote; there's no point of order in the middle of a vote. Mr Wessenger called for a 20-minute recess. We must call the vote immediately.

The motion before us is moved by Mrs Sullivan, that the committee adjourn for the day.

**Mrs Margaret Marland (Mississauga South):** This is a recorded vote.

The committee divided on Mrs Sullivan's motion, which was negatived on the following vote:

Ayes—5

Eddy, Henderson, Marland, Sullivan, Wilson (Simcoe West).

Bisson, Frankford, Lessard, Perruzza, Wessenger, Winninger

**Mr Bisson:** On a point of order, Mr Chair: According to the resolutions when this committee was first formed, the committee is not to commence until we're into orders of the day within the House. I'd like to have some clarification why this committee actually started before the orders of the day.

**The Chair:** It was my understanding from the TV screen in front of us that routine proceedings had been completed. I recognized a representative from each political party. The words used by the Chair were not that a quorum existed but that the Chair sees a quorum, and we proceeded on that assumption. Frankly, we've gone three weeks and it's my hope that we can get these estimates done some time this year, if not Health alone.

**Mr Bisson:** I would just like to indicate for the record itself that this committee of estimates today started before the actual orders of the day. The resolution in the House is quite clear: The committee is not to start until orders of the day in order to allow members to get here to participate in the dealings of this committee. I can't so much reprimand the Chair but to say that the Chair should have at least checked with the Clerk of the House to make sure that we were still in a position of being able to sit as a committee. At that we will let it go at this point, but I certainly hope that will not happen again.

**Mrs Sullivan:** Mr Chairman, I would like to know from you or from the clerk if you had advance notification from the minister that the minister would not be present today and when that notification came.

**The Chair:** I checked with the clerk when I entered the room and found out at that point. Neither the clerk nor I were advised that either the minister or the deputy would not be present for their estimates.

**Mrs Marland:** I think everyone understands what the process of estimates is all about. It's about the minister defending the estimates of his or her ministry. I don't have any personal problem with the parliamentary secretary or the assistant deputy minister—we haven't met so I apologize for not—

**The Chair:** There will be an opportunity to introduce these new faces.

**Mrs Marland:** I just want to refer to you by name.

**Ms Margaret Mottershead:** My name is Margaret Mottershead. I'm the assistant deputy minister of health systems management in the Ministry of Health.

**Mrs Marland:** Margaret, I know your name well; I just didn't recognize you.

The fact is that for us to go into an estimates committee hearing and have the kinds of questions and issues that we wish to discuss—Certainly speaking I think for both opposition parties, the whole process of estimates and why these committee hearings are held would not be worthwhile. Nor is it fair to the assistant deputy minister Ms Mottershead to expect that we can have the kind of political and policy answers, both of which are part of the process in getting answers from the minister on estimates. We have a new deputy minister, we have a new minister, and I think with a new government we are entitled to have an in-depth look at the estimates for the biggest ministry in Ontario.

For us to be here looking at a \$17-billion expenditure or whatever the final figure is, I think it's an insult to the process to suggest that we should go ahead in the absence of the minister.

Last week the minister was ill and we were given notice at some point, I think during the afternoon, that she couldn't be here because of her illness. Mr Chairman, you and I have been in this House—I'm trying to see who else has been here seven years. I've always been on estimates. I have never yet been through an estimates process without the minister and the deputy being present. I would think that if this government wants to be fair to the intent of the estimates committee hearings, it would suggest that we defer these hearings until such time as the minister is able to be here.

**Mr Bisson:** On a point of order, Mr Chair: The standing orders are fairly clear that the minister or the designate through the parliamentary assistant is allowed to come to the estimates committee in order to present the estimates on behalf of the minister.

The second point is that the last time this committee met there was an agreement just prior to our committee adjourning that we would not adjourn the committee last week until such time as I got back, at which point I wanted to put on the record that the minister would not be here today. Unfortunately that agreement was not lived up to. The committee was adjourned before I, the whip of the government side, was allowed to come back here and report to the committee what was going to happen.

**Mrs Marland:** Allowed to come back?

**Mr Bisson:** I have the floor.

**The Chair:** I'm not sure this is a point of order, but I will recognize you in the speaking rotation.

**Mr Bisson:** The last point is that it was clear the last time the minister was here that it was indicated to the clerk of the committee that she would not be able to attend during this week because, as you know, I think the conference is happening right now and most people are aware of what's happening around that.

**Clerk of the Committee (Mr Franco Carrozza):** The minister did not inform me of that date because I was not here for her to inform me. It's not my duty to inform anyone if I'm not told anything, so I wish to correct the record on this.

1600

**Mrs Marland:** Could somebody tell us where the minister is?

**The Chair:** It would be helpful. Where we are at this moment is that it would appear neither the clerk or the Chair were advised, either routinely or out of courtesy, of their lack of attendance. We were not advised that the deputy would not be here. Perhaps if we could have someone speak to that issue that might relieve some of the tension the Chair is experiencing at the moment over this diversion of the committee's activities.

**Mr D. James Henderson (Etobicoke-Humber):** On a point of order, Mr Chairman: Is it in order for my good friend the parliamentary assistant to be here in the capacity of representing the minister and also be deemed to be a voting member of the committee?

**The Chair:** Yes. The member has been substituted in through a regular member of the committee, and the government total complement of eligible voting members has not increased. I'm sorry, Mr Wessenger wanted to comment.

**Mr Wessenger:** Yes. The question was asked, first of all, where the minister is. The minister is in Ottawa at the national physicians' conference. On the question of the point of order, I don't know whether it's appropriate. I'd ask the Chair this question. We had a motion for adjournment. We now seem to be discussing the question and I don't think that's in order. I don't even know whether it's in order to discuss a motion for adjournment.

I might just add that the minister was available last Tuesday but the opposition did not show up. The minister was also available last Wednesday and again the opposition didn't show up. On one other occasion the minister was sick. So she scheduled three previous days for estimates.

**Mr Jim Wilson (Simcoe West):** On a point of order, Mr Chair.

**The Chair:** First of all, I would like to rule that we're not debating a motion to adjourn. This committee is discussing a concern in procedure and precedent and it has every right to do so. Mr Wilson had a point of order. If it's not a point of order, Mrs Sullivan is next in the speaking order.

**Mr Jim Wilson:** I think the—

**The Chair:** Is it a point of order? I need you to say it's a point of order and then I'll recognize you.

**Mr Jim Wilson:** On a point of order, Mr Chair: I think the parliamentary assistant is totally incorrect and is making a mockery really of what happened last week, which was that the House never did reach orders of the day on the days referred to by the parliamentary assistant. He may want to correct his record in light of that information.

**Mr Anthony Perruzza (Downsview):** On the same point of order, Mr Chair. Actually, on Mr Wilson's point of order: I don't understand. I've sat here for the last 10 minutes and I can't figure out what it is we're doing and what it is we're speaking to. We took a vote—

**The Chair:** Lack of understanding is not a point of order, Mr Perruzza.



**Mr Perruzza:** We took a vote—

**Mr Bisson:** I have a motion. I would like to place a motion. The motion is that we can proceed with the estimates from Health on the part of the parliamentary assistant.

**The Chair:** A motion to proceed. We are in estimates for the Ministry of Health, but you have a motion to proceed with the estimates; in other words, move directly to it. The motion is in order.

**Mr Sullivan:** Mr Chairman, I'd like to speak to that motion. I think perhaps what the members from the government party do not understand in relationship to the discussion that is now occurring around the table and the concerns that are being expressed by opposition members is that the estimates process is one of long standing in the Legislature, where ministers are responsible to Parliament and to the public for defending their estimates and defending the policies and processes and implementation of those policies that are being affected by the ministry for the current fiscal year and, where future fiscal years are involved, for the period of time of a longer-term process.

We are frankly outraged that the minister did not have the courtesy to advise the Chairman of the committee or the clerk officially that she would not be available nor would her deputy be available to appear before us.

**Mr Perruzza:** On a point of order, Mr Chairman—

**The Chair:** I hope it is a point of order. What's your point of order?

**Mr Perruzza:** She's just beating a dead horse all over again. Come on, we're in estimates. Let's move on.

**The Chair:** Mr Perruzza, it's customary and courteous to refer to the member by her riding name, not "she." You'd be well advised to elevate your conduct in that regard.

**Mr Perruzza:** Maybe we can get riding maps and names on the thing. I don't know where the member is from.

**The Chair:** It's not a point of order. Mrs Sullivan, please complete your comment.

**Mrs Sullivan:** As we concluded the last section of estimates, the minister had begun to discuss particular areas of interest, not only to the opposition but, I would assume, to government members as well. She was talking about in-home care programs and the delivery of community-based services where there are substantial policy decisions being made, not only substantial delivery decisions that are being implemented through the bureaucracy.

It is vitally important that we be able to follow up in that area of questioning. The minister, frankly, despite all of the good intentions of Mr Wessenger, is the person who bears cabinet responsibility for the policy decisions that are being taken and in fact knows precisely what is going to be put before cabinet and where she is willing to admit changes, discuss problems and respond to the concerns of citizen and other groups who are affected by those decisions. There were comments the minister had put before the committee that indeed have raised questions in the community that we want to pursue. Without the minister being here, frankly, it is impossible to do so.

If the government members do not understand the importance of those issues, then I say it just follows the normal pattern.

**The Chair:** Mr Wilson and then Mrs Marland, briefly, because the motion is very clear and each caucus should be given an opportunity to comment.

**Mr Jim Wilson:** I would like to address the motion, which I gather is to proceed with the estimates. I would echo the sentiments made by Mrs Sullivan and by my colleague Margaret Marland. First of all, the minister did not give us any notice. I think that to proceed is to make a mockery of Parliament. I, for one, will not be part of an estimates process that flies in the face of tradition of this Parliament, and it makes a sham of the estimates process.

We have gone around consulting with groups and individuals and we have promised them that we will raise these issues specifically with the minister who heads up the ministry, who is one of the most powerful ministers in this government, and we demand the right to do that. For this government to railroad this committee because it happens to have more members than we do I think makes a sham of the political process, and it should be ashamed of this motion that is on the table.

**Mrs Marland:** I'm sitting here finding this whole afternoon very depressing. I think it's unfortunate that all six of the government members who are here this afternoon do not have the historical perspective of what it is we're dealing with. It's fine for governments to change and then for governments to decide they're going to change all the parliamentary procedures to suit themselves, but I think everybody would do well to be warned about the fact that we should all tread carefully, because eventually things that go around come around. When you throw the parliamentary tradition of this House out the window and make the kinds of statements that are being made this afternoon by the government members, it is a very sad day for the people in this province.

I think in fairness I would ask Mr Wessenger, the parliamentary assistant, to withdraw his comments that his minister was here last Tuesday and Wednesday and was willing to sit but there were no members here. For the record, it's terribly important for your own personal credibility, Mr Wessenger, to identify why the members were not here. They were not here because committees were not sitting. That's the reason.

1610

**Mr Jim Wilson:** They were in the Legislature.

**Mrs Marland:** They were in the Legislature because we were not out of routine proceedings. It's up to you whether you want to stand with your own personal integrity on that kind of information or not, but I would advise you that I think you would be very wise to correct the record.

I cannot see how dealing with the minister's—I'm glad you think it's amusing, I say to the member for London—what is your riding?

**The Chair:** Mrs Marland, through the Chairperson.

**Mrs Marland:** The member for London South, Mr Winner, who doesn't understand when I look at him



and speak to him that I'm speaking to him—I say to you, Mr Chairman, if this is the kind of exercise this socialist government wants to take the people of this province through, so be it. It will be on their heads. When the public asks why we were not able to identify what the minister's programs and policies were in the estimates for this year—that we were not given the opportunity to raise questions and concerns and in some areas identify programs that we're happy to see there because we've been asking for them and we support them. If there's no two-way exchange of information over a \$17-billion budget, as I said earlier, of the largest ministry in this province, then I think the people of this province will know and fully understand what a game this Parliament has become under this government. I would like to know from the clerk, through you, Mr Chair, whether a quorum requires all parties to be present.

**The Chair:** The request is of the clerk to clarify. Proceed.

**Clerk of the Committee:** Mrs Marland, the standing orders specifically say it should be seven "members." It does not say "parties." However, the tradition and convention have always been that one from each party be present to see a quorum.

**Mrs Marland:** All right. Thank you for that answer. I think that since we have waited a number of months already to review these estimates and since there are some estimates of the government that because of a time factor, if the House isn't sitting—actually the House is sitting next Monday and Tuesday, so we could sit next Tuesday at least with the minister present. Perhaps we could know now. Is the minister going to be available next Tuesday?

**Mr Wessenger:** I don't know the minister's schedule, unfortunately.

**Mrs Marland:** Today is Tuesday. Is the minister available tomorrow?

**Ms Mottershead:** I guess we will have to check with her schedule.

**Mr Wessenger:** We'd have to check with her.

**Mrs Marland:** Isn't that interesting, Mr Chairman. We're supposed to be able to ask the parliamentary assistant and the assistant deputy minister questions on the estimates and they can't even confirm to us whether the minister is going to be here tomorrow, knowing that tomorrow Health estimates have been scheduled for this committee. I think it's significant because there are four hours and six minutes left in these Health estimates. If they can't even speak for her schedule, how can they speak for her estimates and her policies?

I think the best thing this committee can do is adjourn for lack of a quorum, or agree, politely, that we can adjourn until tomorrow, hoping the minister can be here, or adjourn, if we are sitting next Tuesday, until next Tuesday and we can deal with these important estimates.

**The Chair:** Fair enough, but I have Mr Bisson, Mr Mammoliti and then the parliamentary assistant.

**Mr Wessenger:** I wonder if I could reply to the question of the member first, with respect to the minister.

**The Chair:** Mr Bisson agrees that you can proceed.

**Mr Wessenger:** Perhaps what I think would be the most advisable procedure is that the members proceed with estimates today and we will try to ensure that the minister is available tomorrow for estimates to continue. I think that would be the wisest move in these circumstances.

**Mrs Marland:** In that case, Mr Chair, maybe we could agree, if there are four hours and six minutes left, that the government members use their hour and 20 minutes today and we can ask our questions when the minister is here. I think that's a fair request.

**Mr Bisson:** Okay, just to go through—

**The Chair:** I will remind all members we have a motion on the floor which says we proceed into Health estimates.

**Mr Bisson:** With the estimates with the parliamentary assistant and representative.

A couple of things: there was some fairly strong language utilized here on the part of the opposition in regard to this whole process being a sham and somehow the rules of this House being hijacked. I would ask the members of the opposition to take a long, hard look in the mirror when making those kinds of allegations. This committee tried to sit on two occasions last week on which the minister was prepared to sit, and the committee could not sit because of the games that were being played in the Legislature.

**Mr Jim Wilson:** Talk to your House leader.

**Mr Bisson:** I would also say that I sat and listened very attentively to the remarks made by the three opposition members. We did not heckle. We allowed you to make your positions. You will allow us to make ours.

The other question, and I mentioned it just briefly before, is that one of the last times we met I had asked the Chair at the time—and I think the whip on the part of the opposition was here; I don't quite remember who was here from the official opposition—that the committee not adjourn until such time as I got back because I wanted to put on the record that the minister would not be available for today. The committee adjourned outside that agreement. It was the prerogative of the committee to do so, but there was a sort of gentlemen's agreement on that.

The other question, as I had mentioned in the beginning, is that again the opposition utilizes strong language and talks about a sham. I would say that the standing orders and the resolution in the House on how this committee operates clearly set out that this committee is not to proceed with the business of the day until we are into orders of the day. For whatever reason, today the opposition saw it fit and in order to move an adjournment to this committee prior to orders of the day. If that is not hijacking the rules of this House and the privileges of myself as a member, I don't know what is. I'll put that very clearly on the record.

**The Chair:** Mr Bisson, I'm sorry, if I may—

**Mr Bisson:** I'm allowed to make that very clear, because it is fairly obvious what is happening here.

**The Chair:** If I may, Mr Bisson—

**Mr Jim Wilson:** Would you like to start over?

**The Chair:** No, Mr Wilson, please; this is not easy. Let's proceed through this. I would just indicate that the Chair made the decision to start the meeting. It's fair to assume that once I had ruled that estimates were to begin it was a safe assumption. If the Chair erred, he has indicated that.

**Mr Bisson:** That's fair.

**The Chair:** Frankly, I did call the meeting when it appeared to me, from my position here in the chair, that routine proceedings had been completed.

**Mr Bisson:** I accept that. But if, as I am called, an inexperienced member, I know the difference between orders of the day and when we deal with routine proceedings, I would hope that civilized members who had been around here for a while, who supposedly understand the rules, would know the difference and would be able to correct the Chair in the event that a mistake is made on the part of the Chair. That did not happen, so I have to assume that there was something going on.

The other question, in regard to a sham and games being played—it was just said by the previous member, the Vice-Chair from the Conservative Party—is that if we did not proceed with the minister there were two ways we could proceed: We could have a sort of gentleman's agreement of what we were going to do in getting the minister here, or we could adjourn this for lack of a quorum. I take it that's what is going to happen here, that the opposition—I see the Vice-Chair from the Conservative Party getting ready to leave—

**The Chair:** Mr Bisson, excuse me.

**Mr Bisson:** That's the way we would go. I just want to put this all on the record. I have a motion on the floor—

**The Chair:** Mr Bisson, it is completely out of order to deal with the issues of absences of current members, nor is it helpful to imply motive. I would ask you to please speak to the issue.

**Mr Bisson:** Can you clarify a point, though, Mr Chair?

**The Chair:** I'm going to clarify for you that your fears are for naught, that every opposition member could up and leave, save and except the Chair, and you could still proceed. Now that this has been clarified, I'd appreciate if you'd stick to your motion and not speculate about any motive on the part of another committee member.

**Mr Bisson:** But just to clarify—  
Interjection.

**The Chair:** No. Mrs Marland, you are not in your place when you're not on Hansard.

**Mr Bisson,** speak to your motion. I would like to proceed with these estimates.

**Mr Bisson:** But just a last point—

**Mrs Marland:** I'd like to raise a point of privilege, Mr Chairman.

**The Chair:** Now that you are before your microphone, you may.

**Mrs Marland:** I would like the record to show that the critic for Health for our party is present, attending this committee. Yes, I would explain to Mr Bisson that I am leaving and I am not leaving for any other reason than that

I knew from the beginning I could only attend this meeting until 4 o'clock today. I have a speaking commitment in Mississauga at 5:30 with the board of trade, if you'd like to know exactly where I'm going to be.

**Mr Bisson:** I appreciate that. We have a motion on the floor, Mr Chair.

**The Chair:** I have other speakers. Mr Perruzza, thank you for being so patient.

1620

**Mr Perruzza:** All I want to say, really, is that I came here today prepared to roll up my sleeves, hunker down and get to work and do some estimates. For the first 20 minutes I've seen us debate two separate motions that do essentially the same thing. One was to just simply disband the committee today and come back another day. The other one now is a positive motion on the floor that says we should be doing the estimates. I think that when the first motion failed, we should just have moved and gone into the estimates until 6 o'clock, as we normally do, and that's what the agreement seems to be.

In closing, I just want to say that with respect to Mr Wessinger, I have full confidence in his ability and his knowledge of the Ministry of Health and I know the assistant deputy minister is sitting right next to him and there's a wealth of information, if we want to get to work and do the business of this committee and do what this committee is mandated to do. I also know that Mr Wessinger is an exemplary parliamentarian and in no way would I undermine his ability and credibility by suggesting for one minute that anyone else need be in that chair for today for us to be able to adequately do what this committee is mandated and entitled to do. So I just say we should get on with it and let's do the business. That's it, Mr Chairman.

**The Chair:** Thank you.

**Mr Perruzza:** I'm prepared to vote.

**The Chair:** Since you were the last speaker, then we will proceed with the vote. All those in favour of proceeding directly in to the estimates? All those opposed, if any? The motion is carried. The time allocation will commence now.

**Mrs Sullivan:** Given the fact that the government is very anxious to proceed, I believe it's their turn in the rotation. Is that correct?

**The Chair:** That is correct.

**Mrs Sullivan:** I would like to suggest that we, in my party, stand down our questions until the minister is able to be here and that the government party proceed with the 82 minutes of time available to it during today's proceedings and present its questions to the parliamentary assistant and the assistant deputies who are here. I would like to frame that in the form of a motion.

**The Chair:** A motion has been received. Discussion on the motion? I caution members, though, that we are now using the time of—

**Mr Bisson:** On a point of clarification.

**The Chair:** Let me finish, Mr Bisson. We are now in the time when the committee has ordered up the business of the review of estimates. We now have a motion which



the Chair has accepted, which deals with the order and the time allocations we will proceed under. I would hope the debate on this motion, if any, is very brief.

**Mr Perruzza:** Mr Chairman, just in speaking to that motion, I would hope that motion not pass and that in fact it fail because I think a proper motion that should be placed on the floor and one I would support is that for me these estimates commence on or around 4 o'clock, and I, as a member of the governing party, would give up my time for today if we could roll back the clock to 4 o'clock, start the estimates time then and give both opposition members their time for today and simply knock the 20 minutes off our questions. I think that would be more appropriate.

**The Chair:** I would ask you to speak directly to the motion.

**Mr Perruzza:** That's it. In speaking to that motion, I'm not going to support it because I don't think it makes a whole lot of sense. We've been working for 20 minutes and that 20 minutes should be put on the clock.

**The Chair:** Just for the record, immediately following the motion to adjourn, I was called upon on a point of order raised by Mr Bisson. Mr Bisson called the Chair for a point of order to raise the issue of the preceding activities of the committee that precipitated the motion for adjournment. What ensued was 20 minutes of discussion dealing with committee business. I might not have ruled accordingly but clearly Mr Bisson, by his motion to then proceed and begin Health estimates, acknowledged the manner in which the Chair was conducting the clock.

I would ask that we speak to the motion, which is simply that the government be asked to be given the first 80-minute minutes, according to Mrs Sullivan's motion. Mr Bisson?

**Mr Bisson:** Just a point of clarification with the clerk, and I also want to clarify that the motion I gave was that we go into estimates utilizing the parliamentary assistant. That is the motion I put forward. The thing I would like to clarify with the clerk is that it is my understanding of the standing orders that after the vote was taken in regard to the adjournment of the committee, we were into the time of estimates. I would like that clarified because the time started on the estimates as of the time we had the vote in regard to the—

**Mr Perruzza:** Then we can move a motion to—

**Mr Bisson:** I've got the floor, thank you. We were into running off the clock in regard to the estimates as of the time after we had the movement to adjourn the vote.

**Clerk of the Committee:** Can I?

**The Chair:** Please proceed, Mr Clerk.

**Clerk of the Committee:** To answer your question, Mr Bisson, the Chair controls the time when to begin.

**Mr Bisson:** You are saying the standing orders are not clear on that point?

**Clerk of the Committee:** That is correct.

**Mr Perruzza:** Can we do it through a motion?

**The Chair:** You can challenge the ruling of the Chair, but the Chair recognized the point of order of Mr Bisson. I thought I was responding to a point that the government member wanted raised in committee time. I didn't feel it was fair to in any way detract from the time allocated to the minister or the ministry to complete their estimates, as well as the committee's time to complete the estimates. My understanding is we were discussing committee business around a certain standing order that dealt with who should represent the ministry, and the Chair ruled on that early. But the committee members proceeded into a lengthy discussion and at any time could have moved a motion, which ultimately Mr Bisson did move. Not seeing a challenge, Mr Bisson—have you not finished?

**Mr Perruzza:** Just a minor point of order, Mr Chair.

**The Chair:** Points of order are neither minor nor major; they are points of order or they're not. If you have a point of order, please proceed.

**Mr Perruzza:** I'm going to give the floor to my friend here.

**Mr Bisson:** If we can have an understanding on this, that if what we end up doing is finishing estimates by tomorrow—is that what you're proposing?

**Mrs Sullivan:** Through you, Mr Chair, what I am suggesting and what is in the motion is that the time be divided equally between the three caucuses and that the New Democratic Party use its allocated time today so that the opposition parties can proceed with their remaining share of questions directly to the minister. The government party clearly feels that it's appropriate to proceed with the parliamentary assistant. We're suggesting that they proceed, given that the time left on the clock today is approximately the 82 minutes, as I understand it, which is the remaining time available to the New Democratic Party.

**The Chair:** I should, for the benefit of the entire committee—the clock is running on the NDP's allocated time, since the Chair was asked to clarify that the first group to speak would be the NDP, even though it was Mrs Sullivan's motion. I would ask members to resolve to complete their comments and we can get to this motion.

**Mr Jim Wilson:** Just very briefly, Mr Chairman.

**Mrs Sullivan:** I say it's reasonable. Say yes.

**Mr Jim Wilson:** Thank you for the time. I've sat here patiently for the past few minutes. It makes perfect common sense to me, and I don't understand why the government is not agreeing with the motion that's on the floor. Here the government wants to proceed with the parliamentary assistant, and the two opposition parties do not want to proceed with the parliamentary assistant because we believe it is traditional and our right to have our questions answered by the minister herself. So I think it makes perfect common sense, and I don't understand the government's reluctance to support this motion. You can go ahead today with your time allocation, and we can stand down our questions until such time as the minister is available. Perfect sense.

**The Chair:** Thank you. I would like to call the question. Okay, I'm not seeing unanimity in calling the question.



**Mr Robert Frankford (Scarborough East):** On a point of clarification, Mr Chair: Assuming the minister comes here, would there be the opportunity for the minister and/or the deputy responding to questions that are raised by us this afternoon?

**The Chair:** Yes, once this vote is over with, I would like—

**Mr Jim Wilson:** I can't believe we've been arguing for an hour.

1630

**The Chair:** Excuse me, Mr Wilson, please. A point of clarification has been raised. First of all, the Chair cannot prejudice the vote, which allocates all of your time today. The Chair has the responsibility of ensuring that a certain fairness in access is provided. You've raised the question of having fairer access to a minister and possibly a deputy, who may be here tomorrow, and the Chair's not in a position to rule until those circumstances are presented to the Chair. But it is the Chair's past rulings to be very flexible in these matters to ensure that members, especially those who've persistently expressed an interest in certain matters, be given a certain access. That's the best I can do to guide you.

**Mr Frankford:** I think it is customary, is it not, that parties may submit questions in advance that would be answered by the minister after investigation by staff the following day?

**The Chair:** That was going to be my question before Mrs Sullivan placed a motion, whether the ministry has come today prepared to respond to questions that were tabled three weeks ago with the ministry, and that is a matter for all the committee members to deal with. I will speak to that as soon as this motion is covered, if I can suggest to you to save that question; it can be raised immediately following this vote because the Chair wishes to have that clarified for the benefit of the committee to understand certain matters.

**Mr Bisson:** In regard to the motion that was put by the Liberal caucus, we'd be amenable to that. I just want to clarify something, that if we do it in that way, that would mean to say that if the minister is here tomorrow, whatever time is left would be considered the end of estimates as of 6 o'clock tomorrow night, rather than trying—

**Mrs Sullivan:** What about the standing orders?

**Mr Bisson:** We can do that if we all agree. I'm just asking, is that what the agreement is?

**The Chair:** No, it isn't.

**Mrs Sullivan:** No.

**Mr Bisson:** If that's the proposal, we'd be prepared to go along with it.

**The Chair:** It is a matter for this committee in its entirety to determine when its estimates are completed.

**Mr Bisson:** That's right.

**The Chair:** Although you were posing your question to a specific member of the committee, had you gone through the Chair as a question, I would have clarified that any arrangement that you think may or may not be made is

not binding on this committee. Only through the Chair and through a motion of this committee is it binding on when we complete, or when the time has elapsed according to the standing rules and the time allocated by the House.

**Mr Perruzza:** Can we move an amendment to her motion?

**The Chair:** Yes, an amendment would be in order. I'm sorry. I apologize. Yes, an amendment to a motion is in order. That is correct.

**Mr Perruzza:** Then I would move that tomorrow night at 6 o'clock Health estimates be finished.

**The Chair:** I do not believe that would be in order. I don't believe the wording of your amendment would be in order. That's the Chair's ruling.

**Mr Perruzza:** Can we have her motion back, please? I don't remember it.

**The Chair:** Would the clerk please assist the Chair?

**Clerk of the Committee:** Mrs Sullivan moved that the Liberals place aside their time to question the minister and have the NDP proceed with its time allotment today, which is 80 minutes.

**Mr Bisson:** Can I suggest, to make this very clear, that if the subcommittee agrees—who here is on the subcommittee? The Conservative member is not here. If we can come to an agreement of the subcommittee in regard to how this will work out, we'd be very agreeable, if there's any consensus on the part of the opposition. I'm looking for some signal from the opposition here.

**The Chair:** Again, I will rule that the subcommittee cannot be called unless the Chair calls it or members of the subcommittee request a meeting outside the committee time. But we are currently in estimates hearings and I would ask that people stay with the motion, which simply sets out the order of the questioning and the time, which, as I read it, indicates that you would consume the balance of your time allocated directly now with the parliamentary assistant. That is all that motion says and I would ask the members to now vote on this motion.

**Mr Jim Wilson:** On a point of order, Mr Chair: I wonder if it would be amenable to the mover that the motion be amended, so that rather than "Liberals" as the first word, it would be "the opposition parties stand down their questions." Otherwise that leaves my party—

**The Chair:** That would be in order. Is that agreeable to the mover? I hope there's no discussion on the amended motion. Could we please call the question? Would someone ask the Chair to call the question?

**Mr Perruzza:** On a point of order, Mr Chairman. What's the amended motion?

**The Chair:** The motion now reads that the opposition parties would stand down their time this afternoon to allow the government party to ask its questions of the parliamentary assistant, up to a total of its allotted time of 80 minutes, of which 15 are already gone.

**Mr Perruzza:** Okay, and I moved an amendment to that that we would agree to do that.

**The Chair:** I ruled that amendment was out of order. You had the right to challenge that and you did not, so your right to challenge it now has passed.

**Mrs Sullivan:** Question.

**The Chair:** All those in favour?

**Mr Perruzza:** Mr Chairman—

**The Chair:** No, I'm sorry, Mr Perruzza.

**Mr Perruzza:** Why it is out of order?

**The Chair:** I ruled it out of order. I gave an explanation, even though I wasn't called upon to, and I have called the question. A member of the committee has asked that the question be called.

All those in favour of the motion? Opposed, if any? The motion is defeated.

**Mr Bisson:** Let's try this another way. We'll do this very simply. I would put a motion before this committee—

**The Chair:** I would like to advise you that you have been recognized by the Chair to proceed with your estimates.

**Mr Bisson:** You will not entertain a motion?

**The Chair:** I would be more than pleased to entertain a motion.

**Mr Bisson:** The motion is, and I will just simply put it, that the government side of the committee will proceed with questions in regard to the estimates with the parliamentary assistant today, allow the opposition to ask questions of the minister tomorrow, but that we agree unanimously that we would be finished estimates by 6 o'clock tomorrow night.

**The Chair:** That is the motion. The Chair accepts the motion.

**Mr Jim Wilson:** Could I speak to the motion, Mr Chairman?

**The Chair:** Yes, you may. I just want to make sure the clerk has it down sufficiently. He indicates he does. Please proceed.

**Mr Jim Wilson:** I'd ask for a clarification from the clerk on the motion. How much time would that mean the opposition parties would have tomorrow, and how much less time would that be than our total allocation if this motion were not to pass?

**Clerk of the Committee:** We began at 4:22 this afternoon. If we proceed until 6 o'clock, you will use one hour and 38 minutes, and if you are to meet tomorrow, you could use two hours and 30 minutes if we begin at 3:30. The total will give us close to four hours and six minutes and practically finish all the time you have now. If you give me a minute, I'll give you the correct figure.

**Mrs Sullivan:** If I could just speak to that, frankly we in my party believe these issues are enormously important issues relating to the Ministry of Health that have to be discussed in estimates committee. We want our full allocation of time, and if it's possible that the proceedings can be completed at 6 pm tomorrow night, we would be happy to guarantee that our time is used. We do not want to give up one minute of our time in terms of minister's responses and availability to us, and all of this is dependent, frankly, on the length of time in the House before routine proceed-

ings start. We want to have full access and our full right acknowledged and in fact adhered to in terms of questions to the minister, and we feel the issues are that important that we should have that full time allocation.

**The Chair:** Mr Wilson, the second time you're speaking to this motion.

**Mr Jim Wilson:** And it may require more, Mr Chairman. Perhaps the mover would be friendly to an amendment or two changing the wording of his motion, that we proceed with the committee tomorrow, with the opposition parties using their full allocation, which may mean, from the sound of it, we may have to go to 6:15 or 6:30 if we don't get started right at 3:30, because there's no guarantee in the House that the orders of the day will be called at 3:30. That way we could go and we wouldn't be short any time. You would have your estimates over tomorrow evening.

Also, I would like to ask a supplementary, do we have the assurance that the minister will be here tomorrow?

1640

**The Chair:** First of all, I would like to offer up some rulings the Chair would rule at this time.

First, no motion would be entertained that ties directly the attendance of the minister, because clearly the standing order says the minister.

Second, it is custom, and since all members have discussed the issue of what's custom—it would be customary for want of 15 or 20 minutes or half an hour of time remaining in estimates in most cases—arrangements are made through the subcommittee and discussions with the Chair not to drag out the minister and all the staff for want of 15 minutes or 20 minutes.

The third point is that we cannot prejudice tomorrow's estimates. I accepted the motion and perhaps I should not have, but I accepted the motion because it's clear that it is important that we complete the estimates of the Ministry of Health at some point. The Chair is of a mind to start early, as I attempted today. I will attempt again tomorrow to start early because I have an obligation as Chair of this committee to ensure that we proceed through our estimates which, I might remind committee members, are badly behind schedule. Without impugning motive, it is badly behind schedule and the Chair will be moving more vigorously to ensure this committee starts on time. I've been advised it was a little too vigorous today, but it will continue to be vigorous none the less.

**Mr Jim Wilson:** Mr Chairman, are you ruling the motion in order?

**The Chair:** No. I'm guiding the committee with some advice here in the hope that it will move quickly to the vote and proceed. We are using up the government's time.

**Mr Jim Wilson:** Mr Chairman, a response to my request for a friendly amendment from Mr Bisson through you, if I may.

**The Chair:** Mr Bisson, you've had a request to consider amending your motion.

**Mr Bisson:** If you work the math out on this thing, doesn't it work out that they will get the full time with the minister if we're here to start tomorrow at 3:30? It would



be two and a half hours, which would be more than what their allotted time would be. Perhaps I can have the clerk just clarify that.

**Clerk of the Committee:** Within two minutes, that is correct.

**Mr Bisson:** Yes. The other point is with regard to the staff of the Ministry of Health who would have to be here and the staff of the committee. It would mean they'd have to be here past 6 which, I imagine, would put those people at a bit of a disadvantage in regard to their own time.

**The Chair:** Mr Bisson, we cannot sit past the hour of 6. We cannot. The standing orders—only on a Monday evening and since we don't sit on a Monday evening it is impossible for this committee to extend its hours.

**Mr Bisson:** You're saying the friendly amendment is out of order. That's what you're saying.

**The Chair:** That's what I thought I said to Mr Wilson.

**Mr Jim Wilson:** It can be no more out of order than the original motion, Mr Chairman, and you've ruled that the original motion is in order. My friendly amendment is consistent with that. First of all, you said you can't pre-judge tomorrow, which is a ruling against my prejudging that the orders of the day may not start at 3:30 tomorrow. If they start at 4:30, I'd like the committee to go to 6:30 or 7 so that we get our full 82 minutes each. Now, you can't have it both ways, Mr Chairman.

**The Chair:** That's part of the luxury of being the Chair. I've made my ruling and I've had a motion to call the question. Could the clerk please remind all of us what the motion is?

**Clerk of the Committee:** Mr Bisson moved that the government party proceed to ask questions of the PA today and on Wednesday the opposition party ask questions of the minister and complete the estimates of the Ministry of Health at 6 pm.

**The Chair:** It's understood.

**Mr Jim Wilson:** If we get to orders of the day at quarter to 6 tomorrow, we get 15 minutes, Mr Chair. Well, that's just fine, fine cooperation on behalf of the government there.

**Mr Bisson:** Just a point of clarification: I'm sure the government will not hold up the procedures of the House.

**Mrs Sullivan:** Question.

**The Chair:** The question has been called. Thank you, Mrs Sullivan. You are correct. All those in favour? Opposed? The motion is carried.

**Mr Bisson:** I think we have questions from Mr Frankford and questions—

**The Chair:** I did indicate that there was a committee matter I needed resolved. It is a custom and the Chair's responsibility to ensure that questions are tabled and that the responses are received in a timely manner. I believe a substantive number of questions have been tabled with the ministry and part of our mandate is to have those during the course of estimates. Would the ministry please table those answers so those members who have asked them can continue with their questions?

**Mr Wessenger:** I would comment that the questions tabled on June 9, which were very detailed, should be tabled before the House rises.

**Mrs Sullivan:** I have tabled with the clerk additional questions from the Liberal caucus relating to the Health estimates that I had intended to put to the minister. I'm sure they will get back to her.

**The Chair:** The parliamentary assistant's responses put the Chair at somewhat of a disadvantage since the minister and the deputy undertook to get responses to assist the process of estimates. It is completely in order and within the understanding of the operations of this committee that there would be some effort in order to obtain answers to those questions, since they flow directly from the estimates process. If what the parliamentary assistant is saying is that we'll have answers to these questions before the House rises, this is not quite helpful to the work of the committee.

**Mr Wessenger:** The only answer I can give is that they are very detailed questions and there is difficulty getting answers to all of them within that time frame, the time frame to date. But certainly they will be tabled as soon as they are available.

**The Chair:** There have been a series of four sets of questions tabled during the course of these estimates. Custom and procedure is that an effort is made, and the ministry did respond to several immediately. The Chair and the clerk's responsibility is to get those responses to the members as quickly as possible since they flow from estimates questions.

**Mr Jim Wilson:** May I ask a quick question with your indulgence, Mr Chairman?

**The Chair:** If it's a point of clarification, fine.

**Mr Jim Wilson:** It is.

**The Chair:** But I really am trying to recognize the government party for purposes of asking questions.

**Mr Bisson:** We'll be amenable; we're very kind souls.

**Mr Jim Wilson:** Thank you very much, Mr Bisson, Mr Chairman. Just a very quick question. If the ministry is unable to come back with the answers before time expires for estimates tomorrow, are we still entitled to the answers of any questions that may be tabled?

**Mrs Sullivan:** Yes, we are.

**The Chair:** The minister undertook to get responses to all of these questions. Once they're distributed to the clerk, he'll in turn send them to all members of the committee and the critics.

**Mr Frankford:** I'd like to get into an area which I find very interesting. I think it is a very important one right now and certainly will be in the future. This is around genetics or genetic-related conditions. I have looked through the estimates book and I can't see that there is any specific area that looks at genetics per se. I believe there are genetics clinics in hospitals, and I believe the figure that is spent on those is something like \$20 million. I have this from a press release, which I'm afraid I don't have with me here.



This, I think, is only one aspect of it. This is what it would be as delivered in genetics clinics in a certain number of hospitals. For a start, can you make some comments as to whether I'm in the right area and where this spending does take place?

**Mr Wessenger:** I gather what you'd like is an outline of what programs are funded by the ministry with respect to the whole question of clinics and genetic research.

**Mr Frankford:** If I can interrupt, I think that it actually covers a great many things. There are things that are formally called genetics clinics or genetics programs. I think it actually gets into much broader areas: Diabetes has a genetic component, there are blood diseases with a strong genetic linkage and there are many other things which I think would not necessarily be covered by genetic clinics. But perhaps I can just start by asking for some response to it.

**Mr Wessenger:** I will ask the assistant deputy minister to respond to that question.

1650

**Ms Mottershead:** We currently have nine regional genetics programs running in the major teaching institutions across the province. We are in the process of actually surveying each one of those centres to determine the extent to which research and programming is going on because, as the member might be aware, the budget for the hospitals is funded on a billable basis. We are, through my division, trying to determine the extent of those programs using the global budget, because the budgeting isn't normally done on a line-by-line basis. We have conducted surveys of the genetic centres and we are compiling that information right now. We'd be pleased to table the information with the member.

**Mr Frankford:** Am I correct that one couldn't identify it in the estimates?

**Ms Mottershead:** That's correct. It is in each hospital's global budget. The genetics programs cover a range of specific areas. You've mentioned diabetes. There's oncology, there's reproductive technology. It covers the waterfront; therefore it's very difficult to point to a particular program in the estimates, given that it's global budgeting of hospitals.

**Mr Frankford:** Identifying the clinics and also knowing what they provide I think is quite difficult. If I can give a specific example, in my riding, Scarborough Centenary Hospital has, within recent months, opened up a genetic clinic. There has been some publicity about this. I'm not clear what range of things are to be referred there. I'm not clear how much information is provided to family practice in the whole community. I suppose that basically I'm saying, what assurance is there that the resources of this, which I think do affect many people in Scarborough—what resource allocation planning is there?

**Ms Mottershead:** We are, as I mentioned, in the process of evaluating the survey results to determine exactly what the funding has been used for—whether it's clearly for research activity, whether it's research and a combination of service delivery, for example, in a number of women's programs—and then to determine whether the

funds are actually expended on the priority areas of the ministry. That process is going on right now. The member might be aware that a number of these programs get started as a result of physicians having an interest in being in a particular hospital and attracting the kind of activity and programming as a result of their particular expertise.

We would like to evaluate the situation to determine how that program should be managed to meet the needs of the population, rather than be established as a result of a particular expertise in a particular area.

**Mr Frankford:** My understanding is that in this clinic—and I don't know if this is general—the physicians work on a fee-for-service basis. This may be different in the teaching centres, I imagine.

**Ms Mottershead:** I really can't comment on that situation. I'll have to investigate that.

**Mr Frankford:** In some correspondence I had there was a question about how appropriate this was, because obviously there must be a considerable amount of counselling, administration and other things which are not well covered on the traditional fee-for-service approach.

**Ms Mottershead:** That's right.

**Mr Frankford:** On the question of resource allocation, I notice on page 10, on the list of ministry agencies, boards and commissions, that there is the Advisory Committee on Genetics Services. I noticed that in the past year it actually only spent \$200 and that its estimate for 1992-93 is \$12,000. Could I have some clarification? Is this an active committee? Is work being done on resource allocation? Is advice being given on genetics? What can one deduce from these figures?

**Ms Mottershead:** I really don't have the details to give you that response at the moment unless—manager of fiscal?

**The Chair:** Please identify yourself for the record.

**Mr Bob Pharand:** Bob Pharand from the fiscal resources branch of the ministry. That committee is one that's related to the public health area. It has not been very active over the past couple of years. As you can see, only about \$200,000 was spent in 1991-92—

**Mr Frankford:** In fact, \$200, isn't it?

**Mr Pharand:** Yes, \$200, and only approximately \$12,000 is expected to be spent, but that's the committee that deals with inborn metabolism changes and things like that which are related to the public health area, not related to hospitals.

**Mr Frankford:** With respect, I think there's going to be some confusion, because if you go down two lines, one has the screening for inherited diseases in infants, which I think is—

**Mr Pharand:** The two of them are related. They're both in the public health area, which also runs, as you know, the family planning program. So it's not a committee related to the specific genetic services that you find in the hospital sector.

**Mr Frankford:** With respect, I would like some clarification on that, because this is not my understanding. I

have had some research done on the Advisory Committee on Genetic Services, which has been around for a great many years. I think you'll find that it has given considerable advice on genetic services in hospitals. I was unable to find any recent reports of what it's done, but I believe it has a number of academic geneticists on it. To me, it seems to be potentially a very important committee that should be giving advice on the priorities, as the assistant deputy minister pointed out.

There is considerable pressure to develop these services. As I say, I'm sure there is considerable need in the local areas—in Scarborough, which I know, and the other areas—that we have decided to allocate resources to. I believe the mandate is to advise the minister on genetic services. It would seem to me there is really very good reason to give this considerable priority, as I say; the ones I mentioned and the ones that were added, such as oncology. These are very important areas that can affect all of us.

I'd mention also blood-related conditions. I touched on it briefly. To my mind, this is a very important area. As you are aware, the black population overall may well have 5% who are carriers of the sickle-cell gene, so I think this is not a trivial problem, and considerable resources are there. I would hope that this committee will be spending at least its \$12,000. I would like to hear any comments on how one is going to set priorities here.

**Ms Mottershead:** I could respond to that by saying that obviously the ministry does feel that the committee has a lot to contribute, and therefore you see the increase in the estimate of spending for 1992-93. The committee has been active. It has been consulted on a number of programs. One of them is the maternal serum alpha protein-plus testing issue and also in terms of more counselling and education of both physician and the public through the public health system. To answer your question, yes, there are some increased activities that the committee will be requested to undertake in the coming year.

**Mr Frankford:** I think you mentioned some very important areas, the foetal testing. I won't go into the details, but I think the members of the committee might well want to look into it. There are certainly a number of ways in which prevention through testing could be of great benefit, but we have to look into the cost-benefit, of course, and the ways in which this is going to be implemented.

I'm really surprised that one can do it with this amount of money. Would these testing programs be implemented through the clinics that exist at the present time, or is it something that should be done through public health or through individual physicians? Just the things I can think of in this context are real major policy decisions which I think are of pure clinical interest but are also of considerable fiscal interest for the long term.

We are dealing with the possibility of reducing serious lifetime disabilities. There are some very interesting estimates that may not come into this sort of estimates process, but if one is looking at the health system in the long run, I think these are very important areas.

1700

**Ms Mottershead:** If I may add to that, the ministry does agree. There is testing going on right now, there is research going on right now. There's a lot of activity. We do hope our survey results will be very useful. We certainly have had a number of recommendations including those from the committee, from the genetics section of the Ontario Medical Association, that we need to introduce a better-managed system in terms of genetics. We are taking those recommendations very seriously. I will be looking at them and making recommendations to the minister shortly.

**Mr Frankford:** I'd be happy to defer.

**Mr Wayne Lessard (Windsor-Walkerville):** I have a few questions and I hope the parliamentary assistant will have some knowledge of this area. My first has to do with commercial lab testing. I would like to refer the parliamentary assistant to this excellent brochure called Managing Health Care Resources, which was prepared as a supplementary paper to the Ontario budget. It referred to a dramatic increase in expenditures that have taken place yearly with respect to commercial lab services. In order to control these increases, it's pretty evident that a new payment policy is being enacted. That will include the increase of existing discount factors for large volumes of tests.

Also, it proposes that a new utilization sharing formula will come into effect on April 1, 1993. What this will do is reduce payments to commercial laboratories by 50% when the numbers of tests grow by more than 2% per year.

I've been advised by representatives from a lab in my riding that a task force on the use and provision of medical services was established and it prepared a report. In a section of this report on thyroid function guidelines, it was suggested that currently there are inappropriate thyroid testing practices that are being permitted because of a limitation of lab licences for certain types of tests.

There's a recommendation in that report that what is known as sensitive thyrotropin testing, sensitive TSH, be listed as the only thyroid test, as this would reinforce the concept of the single-test entry point for suspected cases of thyroid dysfunction, while removal of outdated tests would discourage their use. It's suggested as well that cost savings would result because that would decrease the number of tests performed per patient.

As I said, I ask that question because located in my riding there is a business called Medical Laboratories of Windsor. They've applied for a sensitive TSH licence but they haven't been able to receive it yet. They're concerned that if the recommendations of the thyroid function guidelines are followed and sensitive TSH tests are listed as the only test, then labs that already have such a licence would clearly benefit more than labs that don't. That would be notwithstanding the proposed utilization sharing formula. They state that if Medical Laboratories of Windsor were granted this licence some time in 1993, for example, this formula would unfairly limit its revenue after April 1, 1993.

I should point out that Medical Laboratories of Windsor is a small, Windsor-based business. There seems to be a trend that contributes to large labs, mostly located in the



Toronto area, becoming larger, and they perceive this to be at the expense of smaller community-based labs.

My question is whether the ministry is considering the impact on smaller labs when taking steps to develop a more efficient approach to lab services.

**The Acting Chair (Mr Ron Eddy):** And your question is to Mr Wessenger?

**Mr Lessard:** Yes.

**Mr Wessenger:** The ministry is conducting a review of the whole role with respect to laboratory tests and the role of commercial laboratories, and that's all the information I can give you with respect to the matter. However, the assistant deputy minister might be able to give some more specific information. Your question probably requires a written reply, but I'll just confirm that with the ADM.

**Mr Lessard:** I know it's a technical question dealing with certain types of lab testing, but I understand it is an area of lab testing where the costs are increasing substantially year over year.

**Ms Mottershead:** I'd like to answer the question by putting a few facts on the table. I'll start off with the fact that the Ontario Association of Medical Laboratories does represent all commercial laboratories, including the one you mention in Windsor, and there have been discussions with the association with respect to how best to introduce these measures to ensure that there isn't a disproportionate impact on a number of laboratories, for whatever circumstances. Therefore, as we continue to have our discussions on implementing either a cost utilization sharing formula or an increase in discount factor, those issues will be raised and we have agreed with the association that if there are other alternatives that can be explored, we will do so during those discussions. In other words, we will not be limited by the narrow framework of some of the directions that have been enunciated.

In fact, you may be aware that the association itself, when issues of efficiency and trying to reduce the rate of growth have been discussed with it, proposed looking at a number of tests and had proposed that rather than dealing with across-the-board issues of discounting or rollbacks we look at some of the areas of testing where there has been a medical benefit question raised with respect to those specific tests. So we are engaged in that kind of dialogue.

Yes, the report of the task force is out there. We have also, as a ministry and as a joint management committee with the OMA, agreed to look at some of the recommendations of the—I believe you are referring to the Scott task force and looking at issues of implementation. The Institute for Clinical Evaluative Sciences, which is the clinical and evaluative research group that has been established through the joint management committee, will be looking at some of those issues. We are aware of them and we're going to try and deal with them in a broader context than just strictly the fiscal reality.

**Mr Lessard:** I take it from your answer that there's still some flexibility with respect to developing the formulas or the approach the ministry is going to be taking with respect to lab testing.

**Ms Mottershead:** The framework has been enunciated in the document you referred to, the supplementary budget paper. However, within that framework there will be opportunities for all the stakeholders to recommend alternative strategies, and if they are ones that are desirable and perhaps more beneficial, we will put those recommendations forward to the minister.

1710

**Mr Lessard:** My next question has to do as well with something that was stated in Managing Health Care Funding, the budget supplement, which also referred to double-digit growth in the Ontario drug benefit expenditures.

In my riding there's a pharmaceutical manufacturer known as Wyeth Ltd. They developed a liquid adult nutritional product called Enercal. They applied for listing of this product as a non-formulary benefit. They've told me that their main competition is a product called Ensure, manufactured by a corporation based in Quebec; they tell me as well that it sells for a higher price and is now listed as a non-formulary benefit. They suggest to me that if they were to be listed as a non-formulary benefit, some substantial cost savings could be achieved because their product can be sold at a lower price.

I understand there has been a review process going on for some time now and that the government's reluctant to add products to the non-formulary benefit list, but I am advised there was a Mead Johnson nutritional product called Criticare HN and that was listed in the April 9, 1992, formulary.

I've written to the minister as well with respect to this in the past, and also Wyeth has, and they had asked the minister whether she would consider granting Enercal listing as a non-formulary benefit or, in the alternative, consider deleting the other product so that this business that is located in my riding can compete on a level playing field. I wonder whether you can respond to that.

**Mr Wessenger:** Yes. We have in the ministry the nutritional products review panel, drug programs branch, which did contact all known manufacturers of nutritional products using a list of manufacturers whose nutritional products were already covered by the Ontario drug benefit program as a basis for the communication. At that time, Wyeth had no products on the list and therefore was not on the mailing list.

Yes, you're quite correct. Wyeth made a submission for the new product you mentioned in April 1991, but no new products will be added to the Ontario drug benefit listing of nutritional products until after the recommendations of the nutritional products review panel have been evaluated and a nutrition support program is developed and implemented.

**Mr Lessard:** Do you know when that might be?

**Ms Mottershead:** I don't have that answer.

**Mr Wessenger:** I will see if we can give you some information about that at a later date. We don't have that available today.

**Mr Lessard:** The other area of concern I have deals with the Swimmer report. I know most people here are aware of that, and the fact that it deals with ambulance services in general. You'll also recall a couple of weeks



ago there were a lot of people involved in the ambulance business who attended here at Queen's Park to visit us. They were interested in the implementation of the recommendations that are contained in the Swimmer report.

One of the areas I am kind of concerned with is with respect to non-emergency transfers. One of the recommendations in the report was that the patient transfer system be tiered into three categories according to the severity of the patient's condition so that services outside the regular ambulance system, such as taxis, personal vehicles or Wheel-Trans or something of that nature could be used for non-emergency transfers. That would free up the regular ambulance service to be available whenever there may be an emergency condition.

Another business that's located in my riding is known as Sports Medic. They've been performing non-emergency transfers between hospitals and places like nursing homes. They've also been doing non-emergency transfers between hospitals in Canada and the United States, because it seems as though there aren't many other people who really wish to provide the service in Detroit, and I can understand that. It seems to me as well that their customers are happy with this service.

I suggest this recommendation—that is, the tiered categories to provide patient transfer service—would ensure that ambulance services are available to those clearly in need, when they need it. It would also enable some private sector participation. I wonder whether the ministry is prepared to consider that recommendation.

**Mr Wessenger:** I can certainly understand your concern about this matter because my own local area had a similar situation with respect to the question of a role for private transportation facilities as supplemental to ambulance services.

First of all, with respect to the whole question of the consumer report—as you may know, after the initial report I believe there are consultations being done again by Dr Swimmer with respect to the response to his report. Do you know the date we are expecting recommendations from Dr Swimmer?

**Ms Mottershead:** End of June.

**Mr Wessenger:** Yes, by the end of June I believe we're expecting to have his report in. At that time the report will be evaluated and the ministry will be looking at his recommendations. I am going to ask the assistant deputy minister to indicate whether the scope of his report would also include the role you indicated with respect to companies such as Sports Medic.

**Ms Mottershead:** I think we are aware of the issue of non-emergency transport of patients and the need to free up the emergency services dedicated for emergency purposes. There has been contact already established with the Ontario Hospital Association to look at developing some guidelines on the transport for elective purposes, and those discussions have started and will continue. Also, there has been a working group formed to review the customer satisfaction with other modes of transportation for non-emergency services.

All of this will be fed into the discussions when the minister is also presented with the recommendations from

the Swimmer report. We appreciate the nature of the issues out there; they are real and we wish to consider them in the context of the whole emergency service area, both the critical emergency service as well as the lack of elective.

**Mr Lessard:** Just to follow up on that, I understand that if I were to call for the services of an ambulance, basically for whatever reason I might choose, and the ambulance attendants show up at my house and I tell them I want to go to the hospital they are really kind of obligated to deliver me to the hospital. It's really the physician's role to determine whether I'm an emergency or a non-emergency type of patient to determine whether I should have to pay one amount for that service, or another amount if it were an emergency.

I've been told—and I stand to be corrected—that doctors really don't like that role very much, and because of that, don't want to expose themselves to any liability and are reluctant to indicate that a patient transfer to a hospital, for example, is a non-emergency.

1720

I know the reason for having the two levels of fees. That's to try and discourage people from using the ambulance service in cases where they really may have some other forms of transportation available to them. I'm just not so sure that it's working the way it has been set up to work. I wonder if that's something that's being reviewed or whether there are some changes that are contemplated in that area.

**Ms Mottershead:** We are aware that there are some doctors who really don't like to be put in that position. We're also aware that there are some cases where it's pretty cut and dried in terms of whether it was an emergency situation or whether it was just a facility that was being used because it happened to be convenient. In those cases the receiving hospital is obliged to have a report filled out by a doctor that indicates whether or not it was an emergency situation. I suspect the number of cases where the issue is a little bit grey is not as great as people make it out to be.

We are, however, aware of it and have been looking at it as part of our overall management of costs, not just to the taxpayer but also to individuals with respect to those kinds of services. I know that my colleagues in the ambulance services area have undertaken a review of that. I just cannot speak with any degree of confidence or certainty as to what the results of the particular review are or where the ministry is at, at the moment, in terms of a change in policy.

**Mr Lessard:** Can you indicate what the fees are for transfers at the present time, what a patient would have to pay if it were an emergency or if it weren't an emergency?

**Ms Mottershead:** I'll get the figures for you. My recollection at the moment—I'm not the responsible ADM for this area—is that it's \$45, or \$185 if the service was not an emergency or of medical necessity.

**Mr Lessard:** Okay. Thank you.

**The Chair:** Is there no other staff here from that department who could answer that question?

**Mr Lessard:** It doesn't look like it.

**The Chair:** No? Okay, Mr Bisson.

**Mr Bisson:** Like many government members, I guess some time last February, March or April, depending on when we did it, there were public consultations with regard to the whole question of the budgeting process the government undertakes prior to a budget being tabled in the Legislature.

In the process we went through, basically a presentation of the numbers, as Health is the largest chunk of the pie when it comes to one ministry in regard to the overall cost of operating government here in Ontario, many questions came up in regard to whether there are ways we can manage our health care system better. I think a lot of people recognize that in these times of financial constraint, low revenue on the part of governments, fewer and fewer people working, unfortunately, because of other ravages that we've seen within the economy, people ask questions about the types of things that could be saved. I just want to go through some of them with you to find out if there's been any movement and direction on some of them.

One of the things that came up quite often was the question of some of the procedures used within the medical health system, such as ultrasound, for example. There used to be a time when ultrasound tests were done basically on a need basis, based on the judgement of the doctor at the time. It has now become a very common thing. Women, because other doctors and other patients have said it's a good idea to get an ultrasound, go to the doctor and say, "I want an ultrasound," and doctors have gone out and bought ultrasound machines and obstetricians have put ultrasound machines in their offices. It's almost become a little business unto itself.

I know the ministry is looking at and contemplating dealing with that question. I wonder if you could elaborate a little more and we can take it from there.

**Mr Wessenger:** Yes, you're quite right that part of the health care reform aspect is looking at the whole question of inappropriate care. They're trying to lessen the amount of inappropriate care in the health system as a means certainly of achieving savings within the health system, but the process the ministry follows in this whole question of determining appropriate care is not on a unilateral basis in any way. We basically work through the joint management committee with OMA and the Ministry of Health, and when any decisions are going to be made by the Ministry of Health with respect to changing the standards, with respect to the question of what is appropriate or inappropriate, we would be looking at the recommendations of the joint management committee before any such action was taken.

**Mr Bisson:** Could I follow up on that point? I'm well aware, as most members in the Legislature are, of the work happening between the OMA and the Ministry of Health, that joint committee. Because I understand what is trying to be done here—maybe I won't word it that way.

We're trying to get the medical profession itself to come to grips with the question of how we deliver services in the health care sector in order to keep an eye on costs. I know there was some discussion going on in the OMA, because I've had that discussion with some of the doctors within my own community up in Timmins and Iroquois Falls, about the whole question of what happens on, for

example, the ultrasound. Just how far has that gone? Does it look as if it can be dealt with within the doctors, or are we going to more or less have to lead the way by the ministry? I'm just wondering.

**Mr Wessenger:** We are, first of all, in the initial stages of this whole question of working in cooperation with the OMA and the joint management committee. I think it's working very well. If we're going to bring our health care costs under control by one of the means, that of controlling inappropriate care, we have to recognize that health care costs are basically physician-driven in the sense that it is physicians who order the tests and who order the particular type of treatment. If we want to be successful and at the same time have a health care system that is efficient and delivers the services people need, we have to have cooperation with the medical association. It's not something that any government would want to do or ought to do: to try to unilaterally make decisions.

When I say "with the cooperation of the medical association," I think we also have to look at the whole question of consumer interests and consumer points of view. I'm sure there will be occasions when the OMA and the present government or a future government might think a particular type of care was inappropriate, but I think we have to take account of not only the views of the medical association but also the views of the recipients of the care.

**Mr Bisson:** The parliamentary assistant is saying that the cooperation is starting to happen between the OMA and the Ministry of Health, but that the Ministry of Health doesn't want to send signals that it would move a little bit more quickly than the OMA. We're sort of urging the OMA to come to grips with some of these questions and looking for some leadership within the OMA.

**Mr Wessenger:** Certainly we are looking for leadership from the Ontario Medical Association in this area.

**Mr Bisson:** Again on the same line, those particular budget consultation meetings lasted for two or two and a half hours per meeting, of which health care could have taken up the better part. One of the things that came up in many examples was that the average consumer of health care would give examples of how you'd go to the emergency department at 3 o'clock in the morning because of whatever might ail you and by 10 o'clock in the morning you're back in your doctor's office with the same tests or blood tests being ordered that you might have gotten in emergency. One of the things they talked about is the possibility of trying to coordinate some of the testing that's done; for example, maybe blood being taken at the hospital for a particular test at 3 in the morning and the same test again being ordered through maybe a private lab or a provincial lab at 4 or 5 o'clock in the afternoon.

Is there an attempt being made on the part of the ministry—I don't know how you would do this—to look at a central registry, utilizing automation, computers or whatever, to take a look at ways of bringing down the costs in regard to some of the testing that is being done? Is there any movement there?

**Mr Wessenger:** Certainly there is a recognition that there is a problem with respect to the question of testing.



There are many inappropriate tests rendered. We have examples. I've heard many stories of the duplication. I've heard even patients saying, "I don't want another set of tests; I just had them," and in fact refusing—the patient himself trying to impose some rationality on the health care.

**Mr Bisson:** Those are the stories we got, yes.

**The Chair:** We've heard that about meals in hospitals.

1730

**Mr Wessinger:** I have to say again that this is a part under the joint management committee. That's the first area we try to work with with the medical profession to try to work out methods to avoid these unnecessary duplications. However, I think I'll turn it over to the assistant deputy minister with respect to the question of what technical aspects you might be looking at.

**Mr Bisson:** I recognize, as those people did, there would be an initial outlay of capital if you were going to do these kinds of things.

**Mr Wessinger:** There are also some great ideas of how to control costs, but the technology itself is very expensive and cumbersome in doing that. For instance, the smart card aspect, the pharmaceutical things—that's one of the technological ideas. I'll turn it over to the assistant deputy minister.

**Ms Mottershead:** In terms of the joint management committee, the Institute for Clinical Evaluative Sciences, which is ICES, which has been jointly formed, is in the process of putting together an agenda that will attempt to prioritize some of the issues that have to be looked at immediately to effect an early return and can be implemented to achieve both effectiveness in terms of health service as well as a cost saving.

They will be looking at things like small-area rate variation. They'll be looking at practice patterns of physicians. They'll be looking at testing. They'll be looking at efficiency of certain procedures and actually developing a program for not just making sure that whatever decisions have a clinical basis but also that some guidelines can be developed that can be easily transferred and implemented.

**Mr Bisson:** That's interesting. If I understand what you're saying, you would be looking at the practices of particular doctors, looking at the kinds of tests and the number of tests for the number of patients being looked at and looking for anomalies. Is that the idea?

**Ms Mottershead:** Correct.

**Mr Bisson:** That's not a bad idea.

Before I pass it on to Dr Frankford—I know he has a number of other questions and I would hope he would leave me some time as well to get back—something came up that was of interest, not to take too much time on it. A particular administrator of one of our hospitals—I think it was the Timmins hospital—talked about a program that was put together I think in California. Every time somebody came into the emergency department of that particular hospital they would give the patient sort of a what-to-do list.

For example, your young daughter or son has a temperature. "Did you do all of the following things: A, B, C,

D, E, F?" At the very end, the last thing you do is call the doctor or go to the emergency department. Apparently, from what I was told, the savings were actually quite substantial—the number of visits to those emergency departments.

Quickly, is there anything like that being looked at? I know within emergency departments that tends to be one of the operations that are fairly expensive for most hospitals and it's a question of trying to educate the consumer.

**Mr Wessinger:** I certainly think that is a very interesting concept, but I will turn it over again to the assistant deputy minister to what she is aware of what is being done in the area of consumer education with respect to consuming health service. I know we do publish certain materials certainly from the preventive aspect. There's certainly a major role in the Ministry of Health in the preventive area with respect to consumer—

**Mr Bisson:** Yes, that's the flip side.

**Ms Mottershead:** I think it's very useful to look at other jurisdictions in terms of what kind of innovations they have brought on stream to effect some savings in the health care system. I also think it appropriate that we look inside our own province for some very good examples of those measures being taken to date, except that we don't give ourselves a lot of credit for what is happening.

Not to evade the answer to your question directly, I'd like to point out some efforts in some emergency departments to deal with the issue of screening inappropriate use of emergency departments. One hospital I will mention is the Greater Niagara General Hospital, which does have a quick response team that actually does an analysis and uses a multidisciplinary team approach to have a look at the patient coming in to see whether or not he belongs in the hospital in the first place.

That's one example. I think we have to do a lot more as a ministry, together with the OMA and the Ontario Hospital Association, in getting those examples out there so that others can learn to use some of those techniques that have proven to be beneficial in certain areas.

**Mr Bisson:** I would pass the floor over to my colleague Dr Frankford, but remind him I have other questions.

**Mr Frankford:** Perhaps I could start by responding and speaking for the medical profession.

**Mr Lessard:** You're out of order.

**Mr Frankford:** I'm sorry my Liberal colleague has left for the day.

There are many pressures in the doing of tests and I suppose one cannot deny that financial incentives that may be somewhat unconscious exist, but I think predominantly what one is trying to do, what is good standard practice—and certainly there are distortions to what is good standard practice. I think if one is doing things just on the very slight chance that something may be abnormal, but you would be criticized if you hadn't done it, this is a pressure that puts the standards practice somewhere which is perhaps too expensive, perhaps demands too many resources; certainly the points that my two colleagues here raised around thyroid testing and ultrasound testing.

I think there are some important considerations in the yield of testing or the appropriate use of resources. One



should not obviously just do a whole battery of tests because you would lose points if you didn't, although unfortunately I think this is the way things tend to go in teaching hospitals. This is where physicians learn their practices and without much consideration of the economic costs. I think one can get into a much more scientific approach and look at the yield of tests, and this is where I would say one could really start doing very constructive things with the data that are produced on the question of thyroid testing. One could be looking at protocols based on the experience, how many tests are abnormal, what are the hazards of missing ones where you know there's only a less than 1% yield or what do you do about ones where you get a 99% positive yield. Obviously there are real questions about whether it's worth doing in either of those cases.

Perhaps to get a bit more specific, to pick up on Mr Bisson's point, I have no doubt that as we move into an information society there is huge potential for sharing all those data electronically. One could get feedback. The test you had done in emergency at 3 in the morning is sent by e-mail or whatever to the physician's office the same day and can be acted on. I would certainly be very encouraged to hear that we're moving right ahead there. The most recent *Lancet* that I got yesterday spoke very well of what they're doing in Australia. I know people have concerns about confidentiality and where the files are kept, but I think that, properly planned, you can have it all. I think you can have just as much, if not more, confidentiality and excellent access to the real information that works.

To get slightly specific, on page 58 we have information systems expenditures, and what strikes me is the amount of reduction that is here. Maybe this is well worth it, but it seems to me that investment in information technology, if it's properly done, can have a huge payoff. I could see the possibility of savings in the areas that my colleagues have mentioned here, but if you look at 1990-91 the actual expenditure was \$80 million, in 1991-92 the actual was \$54 million, and for 1992-93 the estimate is \$44 million.

It's great to save money, but I wonder if you'd like to elaborate on why it's going down so much, particularly at a time when I would have thought one could really be investing a great deal if physicians—let's not be doctor-centric—and other health teams had computer linkages. I practise with a computer on my desk myself and I printed out all my prescriptions on a printer, which I think has very great advantages but it was not linked to anything. I think there's a model there. I know other of my colleagues do the same sort of thing. I'm surprised we're not maintaining the expenditure there, unless this is an indication of how steeply the price of microcomputers has dropped.

1740

**Mr Wessinger:** I'm not going to give you a detailed answer on this, Dr Frankford, and I will be turning it over to the assistant deputy minister, but one thing that strikes me initially is the fact that we had quite a major expenditure on information systems when the institution of the health card came in. I would assume that was the basic reason for the cost being so high in 1990-91. I assume the

structure of the level of services has gone down because consulting services have been reduced.

**The Chair:** The bugs are out of the system now.

**Mr Wessinger:** I know there's been an attempt within the ministry to try to do more work in-house and less with consultants. Maybe the assistant deputy minister can add something.

**Ms Mottershead:** No, that's fine. The explanation is—

**Mr Frankford:** That these computer consultants would be counterbalanced by Mr Layton's fees.

**Ms Mottershead:** I think that's the point.

**The Chair:** Perhaps to be helpful, was your question not in what other areas is the pursuit of information systems being considered by your ministry? I thought that was the other part of the question.

**Mr Frankford:** Yes. You mentioned health cards. I think we've all had problems in our constituency offices with people getting registered. I believe potentially there is considerable merit in having a unique identifier. Maybe you could comment on what payoff there is right now and what is foreseen in the future.

**Mr Wessinger:** What future directions are foreseen as well as how well the system has worked with the health card. Okay, I'll ask the assistant deputy minister.

**Ms Mottershead:** In terms of pursuing some further technological innovations in the ministry, we are continuing to work on the smart card pilot. We do have one started now in Fort Frances, so development activity is going on there.

There are a number of other issues we are looking at that hopefully will have a significant payback: improvement in terms of the drug payment program, continued improvements in the health insurance area, and claims payment in terms of automating, either through a diskette or whatever, the payment of physicians. We continue in that particular effort. We will definitely be exploring the uses of technology with respect to other claims payment activities—for example, assistive devices—to make sure we have the technology that is able to expedite payment for customer service but also decrease administrative costs for the ministry. So there are a number of areas which we are pursuing at the moment through that particular allocation.

**Mr Lessard:** I just wanted to follow up on the points Mr Bisson and Dr Frankford made with respect to the utility of doing different types of testing, because that reminded me of a letter I received this week from a constituent, Mrs Morrison, who has another theory as to why doctors may do testing. Dr Frankford referred to doctors who may lose points if they don't do certain numbers of tests.

**Mr Frankford:** Academic.

**Mr Lessard:** Okay, academic points. This constituent's theory is that doctors are really only trying to protect themselves from malpractice suits and really places some of the blame on lawyers. Of course you can understand my reluctance in even bringing this issue up, but I thought it may be an interesting theory.

She says there should be some encouragement for patients not to sue for malpractice, and that would result in a real reduction of malpractice insurance. A deterrent for

patients to sue would also encourage doctors to resume their former practice of diagnosing and treating patients without unnecessary lab tests. She talks about an incident that happened to her where she went in because she had a cough and was sent to a hospital to visit a specialist. That would involve her being checked in and getting a blood check and an electrocardiogram and things that she thought were completely unnecessary, so she didn't go.

She suggests that maybe there should be some in-depth study made of the number of malpractice suits and the settlements that may have been made over a certain period of years. She seems to think maybe that would go some way in developing some guidelines to place limits on the liability of doctors or whether there was something we could do in that area.

I know that's not something that's referred to in the budget supplement or the estimates, but I bring that up because I thought it was timely that I had received this letter this week. I just wondered whether the parliamentary assistant, also being a lawyer, might have some response to that, and whether this is something the ministry has ever looked at as a means of reducing medical costs.

**Mr Wessenger:** I think it's a good point that you've made, Mr Lessard. Certainly the liability question is, I'm sure, one of the influences with respect to the matter of testing. I know in my discussion with many members of the medical profession, they indicate that this is the case. They also indicate some criticism of some of their colleagues for overtesting on the basis of being overly sensitive to the liability question.

I think part of the problem has to do with the fact that California is looked at by many physicians; they look at the situation in California rather than the reality in Ontario. The fact is that there are very few malpractice suits in Ontario. If we look to the Prichard report, which looked into this whole question of liability, I think it indicated that first of all there were very few suits in Ontario, and there is very little compensation paid with respect to the whole question of injuries suffered by individuals as a result of medical acts, some of which may or may not have been negligent.

Of course, as you may know, the Prichard report recommended a sort of mixed no-fault system with respect to the question of compensating for injuries. I don't know whether our ministry has any position with respect to the Prichard report. The implementation of any legislation based on it would be under the purview of the Attorney General rather than the Minister of Health. I certainly think it's something that is worth looking at. I'll be careful what I say here because I don't want to speak for the minister, but I'll speak on my personal opinion that I think it would be—

**The Chair:** I would remind the member that in your present capacity, you are speaking for the minister, and I'd ask you to speak on behalf of the minister. You do have the option to go back and sit over there if you'd like to meander with your personal opinions.

**Mr Wessenger:** In that case I would just say I think it's something that should be looked at. I think the Ministry of Health should take a look at the question and should

make an appropriate recommendation to the Attorney General in this regard.

1750

**The Chair:** Three other speakers; 10 minutes left. Mr O'Connor.

**Mr Larry O'Connor (Durham-York):** Actually, I think that Mr Bisson—

**Mr Bisson:** Oh, take a few minutes.

**Mr O'Connor:** There's one question that I guess has struck me. On an occasion recently I met with a constituent who has had some severe back problems, and she showed me the cards she had from all the hospitals. She had cards from about five or six different hospitals. These are these little plastic cards that they run through a machine something like they do a Chargex or a Visa or a Mastercard. These cards all seem to contain the very same information.

You mentioned the smart card. I wonder if you could elaborate a little bit on that, because it seems to me that the time spent for the clerk or whoever in the hospital makes up these cards has got to be enormous when you multiply that times the number of patients.

**Mr Wessenger:** I'm probably going to have to defer to the assistant deputy minister with respect to the question of how the smart card works—

**Mr O'Connor:** That would be fine.

**Mr Wessenger:** —in the sense that I know it's to contain medical information but I don't know what type of medical information and to what extent it is contained on the pilot project. I assume it contains the medical history of the individual, though I don't know how it relates to drugs and that sort of thing.

**Ms Mottershead:** With respect to the hospital card, it is given to establish a medical record for that particular hospital the first time an individual receives a hospital service. There is a record and it has very general information. It doesn't have detailed clinical information or anything else at that point in time. It establishes the home address, the immediate person to call, the relative or next of kin, and those kinds of records.

Therefore, if one individual has a number of community hospitals that they visit, I think it would be important as part of our look at the smart card technology and some of the fields of information contained to see how many services this individual is seeking and what the issue is there.

Is it because the doctor who is treating this person has privileges in a number of hospitals and the person therefore is using the hospital setting as a convenient place for receiving treatment? Is it because they make inordinate use of emergency departments? There are some issues you raise there that go beyond the smart technology aspect of the card, which is intended to carry with it very critical information in terms of types of drugs, medication, attending physician, family physician at home and in the hospital and those kinds of things: medical history as necessary. It's really not intended to supplement or replace the hospital records, although we will be looking at integrating hospital information so that you get a complete picture.

**Mr O'Connor:** Thank you.



**The Chair:** From personal experience, I can tell you that my wife appreciated, while she was under active labour, that she was able to get through the admissions department very quickly on April 4, and that was the purpose of the card as we have it. Mind you, we only have the one hospital in Burlington, but the presumption is that you will go to your community hospital. So we only have one card.

**Mr Bisson:** Thank you very much, Mr Chair.

**The Chair:** Mr Bisson.

**Mr Bisson:** That was a very interesting story.

**The Chair:** Well, there is more to it if you'd like to hear it.

**Mr Bisson:** No, no. This is my time. I want 40 seconds back. Let's banter around.

I have a question to the parliamentary assistant. I believe there are some 36 hospitals across the—we are seeing the pictures of the newborn daughter of the Chair.

**The Chair:** Michelle Deanne.

**Mr Bisson:** Very nice.

**The Chair:** She's beautiful.

**Mr Bisson:** For the record that should have taken—no, I won't even say it.

Okay. There are some 36 hospitals, I believe, across the province that are going through the process of submitting deficit recovery plans. Is that right? Just say yes or no. I think about 36; yes or no?

**Ms Mottershead:** We are requiring all hospitals to report to the ministry, whether or not they have a deficit, to determine how they were able to balance their budget.

**Mr Bisson:** It was my understanding there were 36. You are saying all.

Obviously, one of the things going through all that is that I'm very much aware, being involved with one of the hospital boards up in my riding, that the process we are asking from the Ministry of Health would include not only people on the board, but also the people who work within the hospital, the district health councils and others, in order to set some of the priorities and look at some of the spending within the hospitals.

I think it's been a fairly difficult process for some of the boards because, quite frankly, they've not been used to doing things that way. They've been used to the fact that when they have problems in a hospital, they get money. But with transfer payments from the federal government being cut, and provincial governments consequently having to watch their expenditures, the one, two and two increase that we gave them over the next three years doesn't meet the total need. I think most people recognize that.

Some of the boards have been fairly reluctant to include some of the workers at the hospital, some of the nursing staff. In some cases even the DHCs have had a hard time getting input into the hospital boards. I understand with the changes to the Public Hospitals Act—there are going to be some revisions. I think the last time it was revised was in 1933, and there hasn't been very much change since. Is the change to the hospitals act going to contemplate formalizing how some of this operates with regard to maybe the constitution of the board so that you

have a broader representation within a community or a process by which various stakeholders can be involved in a process such as this? In some cases it's worked very well. I understand from other members that in some cases it hasn't worked well at all.

**Mr Wessenger:** Thank you very much for giving me an opportunity to talk about the consultations I'm doing on the Public Hospitals Act.

**The Chair:** In under three minutes.

**Mr Wessenger:** Okay.

**Mr Bisson:** We get 40 seconds because of the picture.

**Mr Wessenger:** I'll be conducting hearings across Ontario at nine different centres, including Thunder Bay and Sudbury for the north. Unfortunately, we can't go everywhere in the province. What we are looking at is trying to ensure that the new Public Hospitals Act will ensure that the governance of the hospitals reflects the communities they serve.

**Mr Bisson:** Very good.

**Mr Wessenger:** That means it reflects the consumer interest and also the viewpoints of the health professionals and the employees within the hospital. That doesn't mean there's any set pattern. For instance, there's no set pattern of whether a board would consist of all community representatives, which is the recommendation of the steering committee, or whether it would have maybe some employee representation. That's what we're consulting about, to ask people how they think that should be done.

**Mr Bisson:** When is the consultation going to be over? Is it just about to start? I know some preliminary work has been done.

**Mr Wessenger:** We've had one already. Starting the week of July 4, we'll have four consultations. Then again the week of August 16, another four consultations, plus one on August 12.

**Mr Bisson:** When do you expect the consultation to be over?

**Mr Wessenger:** That official part will be over, but the consultations will continue right up until the time we have draft legislation or legislation introduced. The consultations will of course continue even after the draft legislation.

**Mr Bisson:** Any guesstimates with regard to when legislation amending the Public Hospitals Act will be introduced?

**Mr Wessenger:** We would hope to have some form of draft legislation or first reading hopefully by the end of this year.

**Mr Bisson:** Very good. I see we're coming close to the end of the clock. I would just like to thank the parliamentary assistant for the Ministry of Health for coming down here today in the place of the minister and carrying on extremely well in the absence of the minister in answering questions of the members of this committee.

At this point I would ask, I would imagine, to have the committee adjourned.

**The Chair:** I wanted to thank the assistant deputy minister for filling in for the deputy and several other



members of staff who were unable to be here today. In the interest of being helpful to the committee, I recognize that you have responses to Mr Lessard's questions. To be fair, perhaps you'd circulate those to the clerk and then they can be distributed to all members of the committee.

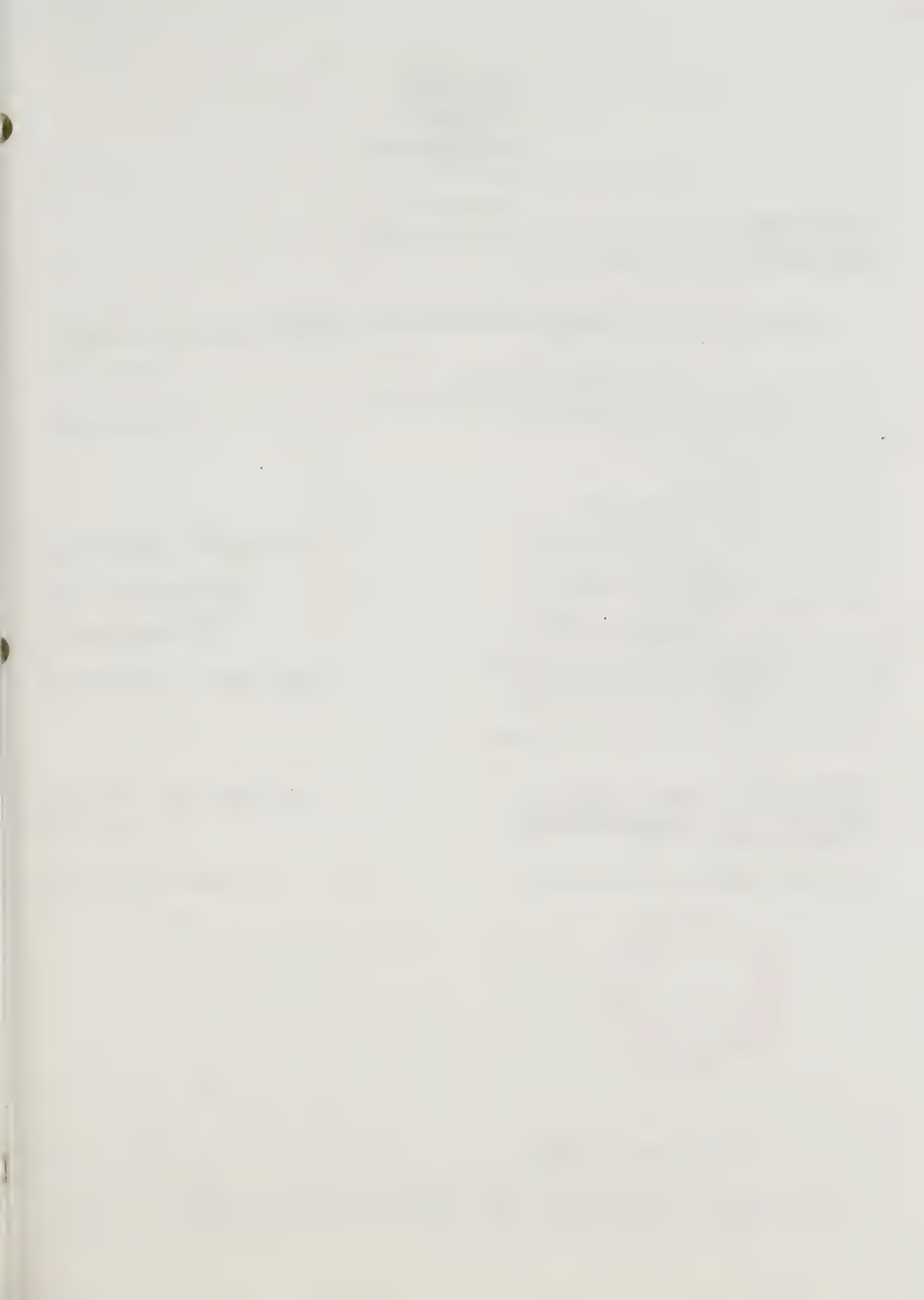
There being no other business, motion to adjourn?

**Mr Bisson:** Motion to adjourn.

The committee adjourned at 1759.







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- \*Henderson, D. James (Etobicoke-Humber L) for Mr Sorbara
- \*Sullivan, Barbara (Halton Centre L) for Mr Ramsay
- \*Wessenger, Paul (Simcoe Centre ND) for Mr O'Connor
- \*Wilson, Jim (Simcoe West/-Ouest PC) for Mr Carr
- \*Winning, David (London South/-Sud ND) for Mr Ferguson

\*In attendance / présents

#### **Also taking part / Autres participants et participantes:**

O'Connor, Larry (Durham-York ND)

**Clerk: Greffier:** Carrozza, Franco

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# LEGISLATIVE ASSEMBLY OF ONTARIO

## STANDING COMMITTEE ON ESTIMATES

Wednesday 24 June 1992

The committee met at 1618 in committee room 2.

**The Chair (Mr Cameron Jackson):** I'd like to call to order the standing committee on estimates. Before the committee are two housekeeping matters I'd like to resolve before we commence the hearings on the Ministry of Health: the subcommittee report and our budget. The clerk has tabled those. Any discussion? If not, the Chair would entertain a motion for approval.

**Mr Gilles Bisson (Cochrane South):** Sure. I didn't want to be the first one. I move we accept the budget of the estimates committee, along with the subcommittee report.

**The Chair:** Thank you. Any discussion on the report and the budget?

All those in favour, please indicate. Opposed? The motion is carried. Thank you.

That will be communicated to the House leaders, maybe even this afternoon.

**Mr Robert Frankford (Scarborough East):** On a point of privilege, Mr Chair: I'd like to take the opportunity of correcting my own record.

**The Chair:** Feel free to do so.

**Mr Frankford:** You may recall on the first meeting, when the minister was here before, I got into the topic of the US health care system and I believe that I referred to the possibility of getting revenue because of their excessive administrative costs and I threw in the figure of something like \$20 billion. I have a paper here that has more accurate figures. The figures here are subject to controversy, but one figure is \$46 billion and other figures from very reliable authorities say from \$69 billion to \$87 billion. So I was clearly in error, and this might be useful to the committee.

**The Chair:** Thank you for correcting the record. Seeing no other business, this committee stands adjourned until the minister arrives.

The committee recessed at 1622.

1626

### MINISTRY OF HEALTH

**The Chair:** The committee is now reconvening hearings on the Ministry of Health estimates. I'd like to welcome back the minister. Following in rotation, two hours and 28 minutes remain. I'd like to recognize Mrs Sullivan. Prior to doing that, does the ministry staff have any of the questions requested by the committee to date ready to table with the committee members?

**Hon Frances Lankin (Minister of Health):** Mr Chair, if I can respond on that point, no, the answers aren't ready. I apologize to the committee. As many committee members will know, I was in Hull for three days last week at a federal-provincial ministers' meeting of health and

finance ministers and at a national physicians' conference in Ottawa for the first two days of this week. The ministry staff have prepared written responses to the questions that were asked, but I have been unable to go through them all. I will undertake to do that in the next couple of days and get most of the responses to the questions that were tabled prior to yesterday. There will be a couple that will still be outstanding, for example Mrs Sullivan's extensive question on the use of consultants throughout the ministry. It was taking a considerable amount of person-time to compile a response to that, as one can only imagine.

There are a couple of others like that. I should indicate that the questions that were tabled yesterday, as I review them, are extensive, detailed questions far beyond what is normal in an estimates situation. These will take us some considerable time to respond to. But I do undertake to the committee to try to get them for you as soon as is possible.

**The Chair:** Thank you, Minister. Mrs Sullivan, you have approximately 45 minutes.

**Mrs Barbara Sullivan (Halton Centre):** I want to note for the record that, according to the original time that was scheduled for review of the estimates, the opposition parties would each have had something slightly over 80 minutes. We are now down to 45 minutes and we're very concerned about that. This was not the intention of the committee when it established the hours and minutes available for the defence of the estimates and for the opposition parties to obtain information from the minister. I want the record to show that.

When we last left questioning, which I believe was on June 9, the minister was responding to a question from Mr Wilson in relation to in-home services. In hearing the minister's response at the time and reviewing the response after, we saw the minister take us down a path where the response to the questions relating to commercial versus non-profit sector in-home care to my mind was somewhat confusing in that the minister took us into the integrated homemaker program as being the major area where there were problems in the provision of services on a competitive basis: non-profit versus commercial.

Unless there has been a change we don't know about, the integrated homemaker service is not funded by the Ministry of Health. I wonder if you could elaborate on where you were going in that discussion at the end of it.

**Hon Ms Lankin:** I will attempt to do that. I'm sorry if the remarks I made were confusing. I think I attempted to indicate at least that the integrated homemaking program was an example of in-home services where the growth in the activity of the commercial sector was quite notable since the introduction of that program in 1986 or 1987. It relates very much, I think, to the whole in-home services program, which is of course part of the long-term care



redirection within the joint division between the Ministry of Community and Social Services and the Ministry of Health.

The issues I raised for the committee to consider were issues that have been raised for us as we have been out in consultation on the long-term care redirection. As the member knows, we have had a very extensive consultation.

One of the things we heard very clearly from the provider sector but also from the consumer sector was concern about the growth of concentrated commercial activity in some large urban areas and the shift of market share from non-profit to commercial firms where the non-profit firms were still left with the responsibility of delivery of service outside the urban areas in larger, more difficult geographical parts of the province, and the costs of servicing those areas therefore were becoming very difficult for those non-profit firms to continue when they were losing their market share in the urban centres where the cost per unit of service delivery is somewhat lower. Those are concerns we were hearing during the long-term care redirection, and I was attempting to indicate for the committee, in response to Mr Wilson's questions, that it was an area I think for us to consider as we're looking at developing policy response to the consultation on long-term care.

**Mrs Sullivan:** In addition to the impression of urban concentration of non-profit services, has the ministry done any analysis to review where and what services the commercial sector is providing and at what level of cost to the contractor, if it's a municipality or whoever the contractor is?

**Hon Ms Lankin:** We're in the process of doing that very analysis in response to the concerns that were raised during the consultation, so that will be able to form part of the materials I and my colleague ministers review as we are developing a position to take to cabinet for policy with respect to long-term care.

**Mrs Sullivan:** I'm going to once again underline the question that was presented by Mr Wilson. Is it your intention to move further into the non-profit sector for reliance for service delivery while maintaining public administration, or are you satisfied with the mix of commercial and non-profit delivery?

**Hon Ms Lankin:** I'm unable to answer the question at this point in time because I have asked for that kind of information analysis to be provided to myself and to the other two ministers responsible for the long-term care redirection so we may look at the accurate data in light of the concerns that were raised during the consultation. No decision has been taken, and in fact at this point in time there is no recommendation that has yet been formulated to take to my cabinet colleagues.

**Mrs Sullivan:** When that material is available I wonder if the minister could share it with the members of the opposition—the actual data you will be using as a base for decision-making. I think those are useful data. There is, as you know, because of questions that have been raised in the House and elsewhere, some level of discomfort and speculation about what decisions will be taken in the ab-

sence of those data. If that could be made available, we would certainly appreciate it.

**Hon Ms Lankin:** I fully expect that as we develop our cabinet recommendations it will form part of the cabinet submission and that once cabinet has taken a decision and there are policy decisions that have been taken and we will be announcing, it can form part of the backup material and we can ensure that opposition critics get copies of it.

**Mrs Sullivan:** I want to move now to an area which formed part of the discussion at the federal-provincial meeting, and that relates to the remuneration for physicians' services.

I understand from a report in the *Globe and Mail* today that you had indicated an inclination to move from the fee-for-service remuneration model into other models, yet on other occasions we have also noted quotations from you indicating some discouragement and indeed criticism of some of the other models that are being put into place, including health service organization capitation models. Can you put on the table for the committee where you see the development in these areas now, and if indeed you are in discussions with the OMA, a joint committee, in relationship to elimination for fee-for-service remuneration?

**Hon Ms Lankin:** We're certainly not in discussions with the Ontario Medical Association about the elimination of fee-for-service. What discussions have taken place at a national level among the ministers of health, at the academic level in reports like the Barer-Stoddart report and in fact at the physicians' human resource management conference that was held the last two days in Ottawa, indicated everyone is now coming to an agreement that there are problematic cost drivers and inappropriate incentives in the current fee-for-service schedule and that perhaps we should be moving towards a phasing out of that. Some of the workshop recommendations at the conference talked about perhaps moving to phasing out or substantially reducing reliance on fee-for-service over a five- to six-year period. There have been no decisions taken with respect to that as a definite action plan, but the issue of concern has been flagged.

With respect to the discussions that have been taking place with the Ontario Medical Association and the joint management committee, if I can separate out first of all discussions with the JMC from negotiations that are actually going on around the contract in the fee-for-service schedule, at the JMC there have been discussions around the continued increase and the rate of escalation of costs of physicians' services over the last number of years and joint approaches to better management of those increases in costs, including looking at, for example, the fee schedule to see where there may be appropriate or inappropriate incentives within the fee schedule, as well as looking at other forms of payment models and the possibility of moving more towards those. Those have been sort of broad-stroke discussions, however. In the actual negotiations, there are currently on the table proposals with respect to the structure of the fee schedule, and those are subject to negotiation.



The comments you made about any concerns I might have expressed with respect to the health service organization model of alternative payment are ones that I think need to be put in the perspective that we were under negotiations with the OMA at that point in time. We have since concluded negotiations. There is a new health service organization, HSO, model contract, and ratification has been proceeding on that. In fact I think the majority of HSOs have signed up on the new-contract basis.

I can tell you in brief form some of the changes we made from the past program to the new program. Concerns raised by government and by some members of the HSO sector themselves, those in particular that are run by community boards or have community advisory boards attached to them and group practices, were that the growth in the HSO model tended to be in the solo-physician practice and tended to be in parts of the province serving parts of the population that had a fairly healthy status, and therefore programs like the ambulatory care incentive program that was contained within the HSO model were in fact benefiting that solo practice without those moneys being reinvested in health promotion, outreach programs or using alternative health care providers in delivering specialty programs, which I think was what was envisioned originally by the ambulatory care incentive program.

We have eliminated ACIP, the ambulatory care incentive payment, and have replaced that with program funding for health promotion and illness prevention kinds of initiatives, which I think is true to the spirit of what was intended by the previous government when the HSO model was put in place. It's just that with any new model you find out after a period of time what works and what doesn't work and what refinements need to be made.

We also have done some adjustment around the negation factor, which is the factor to negate the capitation amount per patient, dependent on the individual patient's use of other parts of the health care system. Again that is in line with making this a program where the incentives and disincentives will truly work to try to help the provider have the time to provide good-quality care and do a lot of health promotion and illness prevention work. I think it has really improved that alternative payment model in terms of those refinements that were made during the negotiations, and I'm quite pleased to say I remain, and the government remains, very supportive of the HSO model as one form of alternative payment model.

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**Mrs Sullivan:** When you talk about changing the negation formula dependent on use, are you talking about geographical use or specific other facility use or other professionals? What specific areas would be affected by a change in the negation?

**Hon Ms Lankin:** Mrs Sullivan, I believe it's the actual amount of negation that was changed as opposed to its application, but I can provide you with a copy of the model contract and you would be able to see that for yourself.

**Mrs Sullivan:** I think that would be a useful area to investigate. Certainly some of the problems with the HSOs

were in being negated for emergency treatment or for treatment by a physician in another community at a substantial distance from the community in which his or her own HSO was located. The negation naturally affected the kind of approach they were able to take in terms of health promotion and prevention programs.

**Hon Ms Lankin:** When I said that, I'm not sure whether I said we lowered the negation. I'm not sure what words I used. We increased the amount of negation is what I had intended to say, and just thinking back I'm not sure if I used the right words.

**Mr Michael Gain:** It was "changed."

**Hon Ms Lankin:** I used the neutral. We changed the negation.

**Mrs Sullivan:** So has it been increased or decreased?

**Hon Ms Lankin:** It's been increased so that there is more of an incentive to keep your patients from using other parts of the health care system inappropriately.

**Mrs Sullivan:** Therefore, by example, using the precise example that I've used, if a person has to seek care in another part of Ontario, the local HSO will in fact be negated and will suffer as a result of that.

**Hon Ms Lankin:** I'd have to get you a specific response on that. I actually don't know whether there are any exemptions for a person on holiday, for example. That might be a good case model of what you're suggesting.

**Mrs Sullivan:** Business travel?

**Hon Ms Lankin:** Yes. I don't know what the existing program had. I don't believe we've changed anything with respect to that. We've only changed the amount of negation in terms of the program but we will provide you with the model contract. I believe the ratification was completed; if not, it will be within a period of the next week or so and we'll be able to send you copies of the contract at that time.

**Mrs Sullivan:** We'd be interested in seeing that. I want to go back to the physician fee-for-service question for a moment. One of the quotes, I believe in the Globe and Mail, that you used was that the 30% of medical services that studies have shown to be inappropriate may in fact be increased through the fee-for-service payment. What evidence do you have to show that specific link within this jurisdiction?

**Hon Ms Lankin:** Do you have the quote that you—

**Mrs Sullivan:** I think it was in the Globe today. I just don't happen to have it with me.

**Hon Ms Lankin:** I'm not sure I made that exact link between those two issues. Actually, we probably would have a copy here. Once I've got the actual wording I can perhaps explain it better.

I know that in the speech I delivered, and copies of that are available so we could check the exact wording, I talked about the fee-for-service system. Those who have studied it and the critics of it have clearly indicated that they feel there are inappropriate incentives in the system and inappropriate disincentives. For example, the fee-for-service system works strongly against doctors who want to practise

what critics would call high-quality medicine that may involve taking a significant amount of time with certain patients, being able to do health education, health promotion work with them, as well as being able to go beyond a quick history in terms of trying to get background information that might also lead to additional answers to the person's health problems.

With respect to the rule of thumb that researchers talk about of 30% of medical services being inappropriate, that ranges from a whole lot of things—for example, surgical interventions. One of the examples I used to support that is a study that has been done by Dr Wenburg in the United States with respect to prostate cancer in which he has developed an interactive video that patients can use that provides them with background information around surgical intervention with prostate cancer and alternatives to surgical intervention.

They found that when a patient used that, up to about 50% of them choose not to have surgical intervention and that there may be a very strong relationship between the issue of truly informed consent and patients' values and inappropriate use of surgical intervention. This is one of the areas of investigation and study that is going on that I referenced.

**Mrs Sullivan:** We've heard Bouchard talk about 50% and we've heard you talk about 30%. What in fact we're seeing when we're looking at the studies, most of them not done in our own jurisdiction, are studies about specific procedures that relate specifically to those procedures, such as the one you have just indicated. There are others relating to the kidney and so on. But what I don't understand is what strength you have in extrapolating from data from specific procedural interventions, whether there is surgical or other treatment, and extending that right across the board to assume that 30% of medical interventions are indeed inappropriate.

**Hon Ms Lankin:** I think that's a fair comment of concern and I would suggest that I haven't made that kind of broad extrapolation. In most cases where I have made reference to the researchers' data I have cited that they are in fact certain researchers' data and that they indicate that perhaps up to 30% is of not proven value. Time and time again that is what seems to come out of research.

I've also indicated that I don't know this to be the case, but as the Minister of Health, along with my colleagues in every other province, we have talked about this. It is, I think, not prudent for us to ignore this mounting research that is critical of the current state of medical practice and that it does call out for some response. Now I think the response should not be a pre-emptive strike with respect to cutting services in certain areas. I think it should be what most provinces are moving towards, which is a measured and scientific evaluation of the health outcomes of certain medical procedures.

For example, the Institute for Clinical Evaluative Sciences here in Ontario at Sunnybrook Medical Centre, headed up by Dr David Naylor, I think will provide us with very important work that the medical profession and other health professionals in government can look to, to help us make

good decisions about expenditure of health resources in the future.

**Mrs Sullivan:** I suppose that's what I want to underline. Until the work of Dr Naylor and his group is more advanced, building an expectation of a 30% cut in medical interventions as a base to a changed delivery of service may be an inappropriate approach to be taking now. The exploration and the real analysis and study in our own jurisdiction isn't complete.

**Hon Ms Lankin:** I think there's a very important reason to keep underlining the nature of the research that is being done and the nature of the findings that are being arrived at, and that is that I think the consumer and the medical profession and other health care professionals need to be thinking about this issue of the appropriateness or inappropriateness of various medical treatments.

For example, where we do have good research data and clinical guidelines have been developed—I'll cite the example of both cholesterol and, more recently, the work of the college of obstetricians and gynaecologists, which has done clinical guidelines around Caesarean sections—we find that there isn't an atmosphere of receptivity among the medical profession for changing its practice based solely on receiving guidelines from some scientific review. There has to be much more of an interactive discussion taking place in the medical profession and in the community with their patients about these findings and about the impact they should be having on medical practice.

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We know, for example, from some of the work that's been done over the years by CHEPA, the Centre for Health Economics and Policy Analysis, and also more recently by the college of obstetricians and gynaecologists and its development of clinical guidelines for Caesarean sections, that the promulgation of such guidelines in and of themselves does not change medical practice and that it's very important for there to be opinion leaders within the profession who interact with their colleagues. I think this is part of what we try to help foster through our focus on this broad issue, through the sponsorship of an institute like the Institute for Clinical Evaluative Sciences and through the sponsorship of conferences like the national physicians' conference that was just held over the past two days. It gives us an opportunity to really focus in on this issue.

I guess the other point I should stress is that in these studies it is not suggested that the 30% rule only is indicative of inappropriate services; it also suggests they may be of unproven value. I think that's the area we try to move to with the more rigorous application of measurement of health outcomes with respect to various medical treatments.

**Mrs Sullivan:** If I can move back to physician remuneration, are you looking at a payment model as perhaps a pilot of reimbursement of physicians on a salary basis outside of community health centres?

**Hon Ms Lankin:** Of course there are the CHCs; the health service organization, as you know, is a capitation base which is not exactly a salary base. There is some developmental work taking place with respect to comprehensive



health organizations. The details of that are not yet well developed as to on what basis physicians would be paid within that structure. We are currently in negotiations with academic health science centres around alternative payments for physicians who are educators currently having to fund that education by clinical services on the fee-for-service basis. I think everyone feels that's an inappropriate way to fund an education research setting.

Outside of that, there aren't any proposals that are active within my office at this point in time. There is a discussion that I've asked for with respect to the development of a more comprehensive approach to our delivery of primary care services, which is broader than physicians' services, but that's only in its infancy. I don't believe it would even have begun to address any issues like a pilot project for alternative ways of paying physicians and salaries.

**Mrs Sullivan:** If I could move to provincial drug programs now, as discussion relating to reform of the drug benefits plan proceeds, will you be using the Lowy report as the strategic base for those discussions and policy decisions?

**Hon Ms Lankin:** Yes, we have been to this date. There will be some areas where, as we consult, there may be different approaches arrived at, but certainly it is an important document to form the basis of the work the drug reform secretariat will be undertaking.

**Mrs Sullivan:** Are you considering at all expanding the drug program to make it universal for everyone in Ontario and with perhaps a means test or a tax credit clawback laterally?

**Hon Ms Lankin:** The terms of reference of the drug reform secretariat include looking at the issue of eligibility and the breadth of eligibility for access to systems under the drug benefit program. Of course that squarely places on the table that if you were looking at something like extending the eligibility, how would you fund it? Would you look at the measures you've suggested or a co-payment measure? You may know there was some speculation that we were considering the co-payment feature in the early part of the initiatives we undertook under the drug reform secretariat. We've rejected the possibility as a unilateral measure.

I think the question of whether or not the drug program should be reformed for broader coverage in the population and/or how that is funded is one that we will hear some response from in consultation, but there are no plans at this point in time to implement that kind of a change. Let me put it this way: I'm willing to ask the question and to have people talk about that. It was one of the Lowy recommendations of a restructured program. I'd be interested in how consumers, seniors, the pharmaceutical industry, the pharmacists and doctors feel about that as we go through this period of consultation, but there are no plans or recommendations in government to proceed directly with that at this point in time.

**Mrs Sullivan:** You can understand that we're working against the clock on time here. I want to leap, in terms of expansion of existing programs, into the recommendations

as a follow-up to the SARC report, the Time For Action report, which has just been made available.

One of the recommendations from that report was that the special needs programs, which are now being delivered on a totally inconsistent basis through the province depending on the municipality and the extent of the programs that are offered by the province, where those special needs requirements are to be available, they should be available universally and delivered through the health care system. Are you looking at that?

**Hon Ms Lankin:** We haven't. The recommendation came forward and it will have to be taken up, but at this point in time I have not done any work in my office on that issue yet.

**Mrs Sullivan:** Is that something you would see as a priority for being on the table?

**Hon Ms Lankin:** I think the Minister of Community and Social Services will certainly be urging all her colleagues to move to look at the issues that have been dealt with in this report, so I think it is an important issue. At this point in time I am unable to comment specifically on the recommendations or on any kind of possible response to that.

One of the things I think is related, although not directly on points, is the issue of children's health and some of the special needs programs that were addressed there. Certainly children in need fall into the category of those who would be helped by those programs. We have highlighted that as a priority for us to move on. Comsoc is the lead ministry. Comsoc, Education and Health, along with some other ministries, but those three ministries in particular, are looking at trying to much better integrate their programs and ensure much better delivery of service to children on various health issues.

**Mrs Sullivan:** I think one of the things that both SARC and Time For Action, the Moscovitch report, do is to indicate that the universality of health care programs be expanded to ensure that if a nutritional product or an assistive device is required that would otherwise not be available if the person wasn't on social assistance, the need for that may indeed push them over into social assistance. This is a way to move them out of the cycle of poverty and the social assistance cycle. It seems to me that is a rational way to move in the health care system and should be a matter of priority.

Certainly in my constituency office today, the number one issue is people asking, first, how to apply for welfare, because they're being released from levels of work where they have never even considered how to apply, and second, if they're able to hang on, to stay off either welfare or family benefits, what will put them over the edge is the need for assistive devices or other health care products or services that are only available through the special needs program. They don't qualify for the drug benefit card and they don't qualify for other assistive devices because they're not on social assistance.

**Hon Ms Lankin:** There are a number of assistive devices that are applied on a universal basis to certain age groups, and there are some top-up provisions that are



contained within municipal special needs adjustment programs.

**Mrs Sullivan:** If the municipality provides them. They are not universally provided across Ontario.

**Hon Ms Lankin:** I realize that. I was just wondering if you were talking to the top-up provisions specifically as being an area that should be universally provided.

**Mrs Sullivan:** Maybe we can talk about that at another time. I think it would be an interesting area to follow up.

**Hon Ms Lankin:** Okay.

**Mrs Sullivan:** I want to move to the report which was presented to the House today, the Lightman report, which suggests "that the Ministry of Health investigate the quality of medical care delivered to residents in rest homes, and the billing practices of doctors (including 'house doctors') who regularly claim for multiple and sequential home visits in rest homes."

1700

**Hon Ms Lankin:** I'm sorry, Mrs Sullivan. Could you repeat the first part of that?

**Mrs Sullivan:** It says the recommendation is, "that the Ministry of Health investigate the quality of medical care delivered...in rest homes, and the billing practices of doctors (including 'house doctors') who regularly claim for multiple and sequential home visits in rest homes."

I was interested in this conclusion. Has your ministry done studies it put on the table in front of Dr Lightman that would lead him to that conclusion, and what kind of follow-up would you be making in this area?

**Hon Ms Lankin:** I have to indicate that I'm at a disadvantage. I was not in this portfolio when the Lightman commission was first commissioned and the ministry interacted with it, so I'm actually not aware of what materials we might have submitted to the Lightman commission for consideration and have only just received the copy of the report as I walked into question period today, so I haven't reviewed any of the recommendations.

I do know the issue of multiple visits being billed under the OHIP system is one we have been looking at with respect to other long-term care facilities, where the practice is the same. I would think it would be important for us, in our review of that which is currently under way, to include the unregulated rest home facilities, because I think it's the same issue at the heart of it.

With respect to the first item, I'll have to respond to you once I've had an opportunity to meet with the ministry and to review the recommendations that are contained in the Lightman report.

**Mrs Sullivan:** We'd appreciate a follow-up on that as well.

As well in the report, "In an appendix to the report, the commission also suggests that the announced intention of the government of Ontario to eliminate the funding differential between nursing homes and homes for the aged be deferred pending clear evidence of effective accountability to residents in nursing homes."

The announcement you have made previously about eliminating the differential to ensure an equivalent funding for equivalent levels of care, no matter what the location, was one that of course we have bought, and one of the things we have been concerned about was that the transfer for this year has not yet been announced. We wanted to know when it was going to be announced and were quite taken aback with this recommendation, and I wondered if this kind of a recommendation had been on your table prior to this report.

**Hon Ms Lankin:** No. In fact the first I've heard of it is as you read it to me at this very moment, so it's not formed any part of the discussions with respect to moving to an equalized funding basis. Certainly I'll review the issue, given that it is part of a very important document that has been prepared by the Lightman commission, but I think the method of compensation in the nursing home and homes-for-aged sector that we intend to move to in January of 1993, which is levels-of-care funding, does have in it an assurance of the quality and kind of care that is delivered, because it is moving to a system of evaluating the actual needs of the individual client and of delivering services based on those needs and it is essentially a purchase of service and a level of service related to the amount of money transferred on a patient-by-patient basis. That, along with the ministry's capacity to inspect and investigate, will probably be the answer to address the kinds of concerns that might have been behind that recommendation. However, I should qualify and say that until we've had a chance to look at the report and what prompted that recommendation, I may in fact be wrong in my assertion that it's answered by the levels-of-care funding, but I think it may well be.

**Mrs Sullivan:** When will you be announcing the transfer for this year to nursing homes?

**Hon Ms Lankin:** I don't have a date I can tell you at this time.

**Mrs Sullivan:** Nursing homes generally operate on a January 1 to January 1 basis. We're already at June. They're almost halfway through their fiscal year. Would you like to comment on that?

**Hon Ms Lankin:** I realize that to be, I think, a significant problem, and I understand your reason for raising it and the nursing home sector's concern, although I think it has been in regular contact with the ministry and understands that we are in fact working on the numbers. We well know that there have been, as a result of the bridge funding announcement made last fall, additional moneys that have been flowing to the nursing home sector—although they were a month late as well—and have eased the situation somewhat. I am concerned to get an announcement out as soon as possible. We are actively working on it.

**Mrs Sullivan:** When you move to level-of-care funding, will you be looking at more than a nursing care criterion?

**Hon Ms Lankin:** The criterion will be based on the Alberta patient classification system.

**Mrs Sullivan:** One of the issues that became very clear during the long-term care consultation process was that there was strong feeling in most health care delivery communities and indeed among senior citizens groups and others that the Alberta classification system, which only looks at the nursing care component, was an inadequate measurement device. I wondered if, as a result of that consultation, you were in fact looking to involve another criterion in a level-of-care formula or classification plan.

**Hon Ms Lankin:** As you may know, there is a pilot project that has been undertaken with respect to the Alberta classification model. If there is any information coming from that pilot project in conjunction with the long-term care consultation remarks that would lead to changes in that policy, those would be forthcoming in our discussions that will be taking place over the next couple of months. We haven't reviewed any information of that sort yet.

**Mrs Sullivan:** I have about two minutes left, so I'm going to just do one question which we have included in the questions that are written, asking you quite specifically if you will undertake to provide to the critics the reports, the copies of speeches, the documentation or announcements, the press releases and other communication materials on the day they're released, at a time no later than that time when those materials are made available to the public. I think both the opposition critics have found it quite frustrating when it's frequently three or four days subsequent to a report or an announcement or a statement when that material is received. It's very difficult either to be supportive or to be critical when we don't have the material to respond to.

**Hon Ms Lankin:** I will undertake to do everything within my power to make that happen. My apologies to you if that hasn't been happening. I'm surprised, and perhaps we can talk at a later time about some specific examples, because certainly in my approach to things I have attempted to make sure the opposition critics were informed, if not at the time, in advance, so that you can do your job appropriately. I have no problem with trying to comply with that.

**Mrs Sullivan:** In the last minute, you have just undergone a reorganization of the ministry. Are you undergoing a new reorganization of the ministry in response to the first reorganization of the ministry, to adapt to new areas of policy development or emphasis? Are you reorganizing the reorganization, is what I'm asking.

**Hon Ms Lankin:** No, but the reorganization is ongoing at this point in time. What has happened is that the structures and department realignments have taken place on paper, but as we move to fill assistant deputy minister positions—as you may know, we just recently appointed Ms Jodey Porter to one of the ADM's health strategy positions—those ADMs who have come into those positions are working to fill the structures beneath them and to bring appropriate staff into the areas. Some of the reorganization of moving policy areas laterally, for example, within the ministry is not yet complete, so it is an ongoing process.

**Mrs Sullivan:** How are you informing stakeholders of changes as they're made? There's certainly confusion about what is happening in the ministry reorganization now. The sense is that the reorganization structures didn't work and so the reorganization is having to take place again.

**Hon Ms Lankin:** I'll certainly take up that issue with the deputy. I'm not aware of those concerns. I haven't heard those concerns, and I do travel a lot and talk to stakeholders as well. If there is some indication that's a problem, that there's some confusion, certainly in our correspondence—we have regular correspondence with various stakeholders over a range of issues—we can include an update on where the ministry's at with respect to its reorganization.

**Mrs Sullivan:** Thank you. I've got lots more questions, but we'll wait.

1710

**The Acting Chair (Mr Anthony Perruzza):** The Liberal time is, in fact, up. Mr Wilson, you have the floor for 45 minutes, till 5:55.

**Mr Jim Wilson (Simcoe West):** Minister, when we last spoke in committee—I guess it was on June 9—we ended with a discussion on the involvement of the commercial sector in the delivery of home care services and in-home services. Mrs Sullivan began today where I ended on June 9. I also want to expand on that, because subsequent to our last discussion on this I've met with a number of people involved in the commercial sector.

They tell me they deliver 41% of the home care services in the province, which is much higher than I would have thought. I guess what they point out to me is that they're a little worried. I think you referred to it in your answer to Mrs Sullivan today: that you're reviewing, along with your other cabinet colleagues involved in the redirection of long-term care, the submissions you heard during the consultation process. That's fair ball. We'd expect you to do that. But the commercial operators pointed out to me—and I see on page 7 of the redirection paper itself that it talks about the goals of the renewed vision in long-term care.

In one section it says, "These new directions in long-term care and support services are designed to meet the following goals." The last goal mentioned is a continued preference for a not-for-profit service delivery system. I'm going to try to give you a sense of why the commercial sector didn't flag that. They didn't really, to try to put it into words, see at the time the redirection and consultations which were taking place on long-term care as a threat to their existence. In retrospect, after the consultations have been completed, I guess they are kicking themselves that they didn't get out during the consultation process and really hammer away at the importance of the commercial sector in long-term care.

They're worried that, if you now review just what you heard during the consultation process, they may have been left out because they missed the boat, as it were, because they didn't take this goal—as very clearly stated, there's no problem there—as seriously as they now do. They're



very worried about their future existence. Do you want to comment on that?

**Hon Ms Lankin:** I'd be more than pleased to meet with them if they would like to have a direct meeting to provide their input as well as what I've heard from others during the long-term care redirection consultations. I still continue to meet with groups as they undergo policy considerations and would be pleased to include them in that process if they'd like to contact us.

**Mr Jim Wilson:** That's very good of you. I think they would very much like to meet with you. I've suggested to them that they meet with you directly, because they're meeting with a number of MPPs and opposition MPPs and I think it would be fair to discuss that with you, because they're very worried about their future.

I also want to bring to your attention an issue that I know you're very much aware of. I've received a number of letters from public health nurses, particularly from the community of Middlesex and London, Ontario, where there have been a number of public health nurses laid off in recent weeks or a number of public health nurses being threatened with layoff. I just want to read to you from a couple of letters from those nurses.

One is from a Ms Annette Sonneveld, president of the Ontario Nurses' Association, Local 36. She writes me asking for my opinion on these layoffs, and she says: "With the current health care dollar crisis and the recognized need for increased community health care, it seems ironic public health nurses are being laid off. I would like to see appropriate funding for public health units. Please let me know your position on this important matter."

We also had a letter from Ms Suzanne Jacques, who is a public health nurse in London, Ontario. She says, "I guess what is most disturbing is the hypocrisy of the layoffs in public health." This is a letter to yourself, Minister, dated May 12, from Ms Jacques.

You said yourself that the emphasis in health care delivery should be in the community sector. More recently, the Orser report, 1992, quotes similar findings that health promotion and disease prevention are our best health care assets and that more financial support should be given in these areas.

Finally, Minister, I want to quote from Dr David Butler-Jones, who's the medical officer of health in Simcoe county. Of course, I represent part of that county here in the Legislature. He writes:

"With the overwhelming evidence and the declared commitment to the shift to prevention, it is difficult to understand why we have not seen a corresponding shift in the funds needed. Public health has consistently been in the forefront of prevention and health promotion, community-based programs and developing the concept and application of determinants of health."

Minister, I just wondered if you wanted to take a moment to comment on those concerns that have been brought to my attention.

**Hon Ms Lankin:** The spirit expressed within those concerns of the importance of shifting the emphasis to community health, to public health, are concerns I agree

with. In terms of the funding of the public health units this year, if you look through the estimates material you'll see that we have in fact increased the funding of public health at a level beyond the overall growth rate in ministry spending, which is 2%. That does show where we are restricting funding in certain areas and allowing funding to grow beyond overall ministry averages in other areas. Some indication of the priority is that we have provided 100% dollars for new health promotion programs in the mandatory programs area to the public health units.

There are certain areas in their ODOEs and others where we have seen, in the way they're applying the increase, that they are cutting back in those areas, as are hospitals, as is the ministry, as is every public service area in terms of trying to get better efficiency out of the dollars they do have.

I know there have been a number of units where there have been proposed layoffs and where the unions and the employers have sat down and have worked through alternative mechanisms to achieve cost efficiencies in the administration of the health unit that have avoided those layoffs. I would hope that is a process that would be happening in the areas you have raised the concerns from. I am sure that, if I have not already, I would be responding urging the parties to undertake what has happened in other areas.

The chief medical officer of health has worked with other medical officers of health to help them take that kind of approach in sitting down with their staff, their unions, to look for other ways of saving money. I hope what is happening with the increase of moneys provided to the public health units and with the restructuring and reorganizing is that more money is actually going to support the areas those letters raise concerns about.

I understand the point to be made, that if there are layoffs in certain areas it would appear to be in direct contradiction to delivering more services. I can't speak to the specific organization of a health unit and whether the restructuring that needs to go on requires these layoffs, but the general comments I've made I think would indicate that we have provided increased support to health promotion and community-based public health programs this year at a rate beyond the overall growth rate of the ministry.

**Mr Jim Wilson:** Does your ministry provide specific guidelines for public health units to deal with this? I've met with a couple of public health units where it seems to me they've been most creative and tried to avoid layoffs but are telling me that layoffs are inevitable and that key areas of prevention and public education will be the first to suffer. They feel very much stretched to the limit. What precise assistance does the Ministry of Health give to these public health units?

1720

**Hon Ms Lankin:** Certainly in some specific situations the chief medical officer of health, who has the overall ministry responsibility for the public health program, official local health agencies, has met with local medical officers of health and has had discussions which have led to more creative problem-solving going on in the health



units, and I would think that would extend across most of the health units.

I point out that in the estimates the transfers to local health agencies increase year over year; it's almost 4% this year to public health units in terms of ministry funding.

One of the areas some of the local health agencies face is the complication between provincial ministry funding and municipal funding because it is a jointly funded program, not in all jurisdictions but in a number of them. I think it is another example of an area that we may want to take a look at as we move through the process of disentanglement, because the nature of the programs are so essential that the kind of differential situation of provincial and municipal funding mechanisms often leaves the delivery of those services in a precarious situation. That's why the ministry has moved to mandated programs where there has been 100% funding for those programs. But I recognize that it's a more complicated problem than simply continuing to have mandated programs, because some of the other public health programs that are on shared cost are equally important. I think it's an area we should flag for disentanglement discussions as they continue.

**Mr Jim Wilson:** I'm pleased to hear your response, because I think you're right. Very often when these budgetary decisions are left to county governments and municipal politicians they may not have access—I know in my area I've done my best to try to educate councillors—to the knowledge we have in terms of realizing the importance of these services, so they do tend to get the axe fairly quickly in the budget procedure and it is disturbing.

I received a rather disturbing phone call from a constituent this morning, a gentleman who lives in Wasaga Beach. I want to take this opportunity to raise the issue with you. The gentleman told me he is to have knee surgery at the Royal Victoria Hospital over in Barrie, which is about a 50-minute to an hour drive from Wasaga Beach, as you know. The hospital has told him that following his surgery he can't stay there because they don't have enough funding and they don't have a bed for him. He'll have afternoon surgery and in the evening he'll have to go somewhere. Their new policy is that since he can't stay at the hospital because it can't afford to keep him, he's either to stay with family and friends in Barrie—he doesn't have any in Barrie—or they've given him a list of hotels the hospital has recently made preferred-rate arrangements with.

I find this rather disturbing, as did my constituent, I can assure you, that the public system can no longer really look after his needs. It raised a number of questions for me. The concern is that the hospital wants him nearby after surgery in case he has excessive bleeding or complications, but there's no room in the inn. They've gone as far as a preferred rate hotel list to give to their patients, and I've seen the list. They're not paying for the hotel. I think it's a very disturbing policy that the hospital tells me has been forced upon it. They have no choice.

It raises questions of whether you feel this is fair and appropriate. How would a person without the means to stay in a hotel nearby be able to do that? The hospital, I assure you, is rigid in its decision and did not want to take

this decision. I just wonder if you have any comments on that rather disturbing situation.

**Hon Ms Lankin:** I'd certainly appreciate the opportunity to look into it. This is the first I've heard of this situation.

I think the increased use of day surgery is an appropriate direction in the province and would support the direction of hospitals with respect to that. There are hospitals that have in fact over many years argued that the hospital bed portion of hospital services should not be part of the insured services and that hospitals should be allowed to charge for hotel services. I think some hospitals are taking steps to underline that point.

But as I've indicated, I'm not aware of the specifics. I think the concerns you raise about how individuals who need to travel for such access to medical services and surgical services in this circumstance and how individuals without the financial means to meet those obligations will fare if this becomes a concrete policy of hospitals is reasonable for us to look at.

One of the other things I would suggest, however, is that what we're trying to build is a link between day surgery programs in hospitals and acute care home care programs. I'm not sure in this circumstance why the hospital would suggest that the individual needs to stay in close proximity to the hospital if what he requires is acute care follow-up, which may well be able to be provided in the individual's home. I don't know the circumstances of this individual.

**Mr Jim Wilson:** Right now, I won't get into the lack of the full range of services in my riding for acute care services in the home. It is a real problem and I think I've written to you in the past. It's something I know you're trying to address.

I was shocked by this phone call and this scenario, because it's in Mr Wessenger's riding and the gentleman's from my riding. I guess when it hits home, it hits hardest. Surely to goodness your ministry would know this was coming, because have we not had similar cases with regional cancer centres where there's no room at the inn and people have to stay near those centres?

I know when I was first elected, I had the case of a family who had to take an apartment in Toronto with extreme hardship. We managed to do a community fundraiser for them to have that apartment for some six months. That was one situation that pre-existed your coming to office, but now it's happening even with what should be relatively easy-to-handle day surgery situations.

I'll take you at your word that you'll look into it. I'll be sure to write this up a little better for you to look into, and I appreciate your doing that.

**Hon Ms Lankin:** I would appreciate that. I might also take the opportunity when you provide me with that to share that with our federal Minister of Health. I just spent several days last week in a meeting where I felt that the federal government's desire to discuss flexibility with respect to the interpretation of the principles of the Canada Health Act was disturbing. I felt we should be talking about appropriateness of services and looking at how we

get at inefficiencies that are inappropriate or procedures that don't produce good health outcomes as opposed to getting at flexibility around the interpretation of universality and comprehensiveness etc.

I know there are some differing opinions among provinces with respect to that. Some provinces would like a greater latitude to be able to interpret, for example, the universality principle of health insurance and hospital services as not applying to the hotel portion of the hospital bed service. I think it raises very important implications for us with respect to the future nature of the medicare system.

**Mr Jim Wilson:** I agree and I would urge you to have those discussions and leanings on the federal minister quickly, because I suspect after about June 1993 he won't be the Minister of Health any more. You may even be dealing with your own colleagues up there.

Before Mrs Marland asks a couple of questions, I do have one more concerning radiation therapists. It appears from mail I'm getting from therapists across Ontario that they seem rather angered by the government's decision, which they describe as arbitrary, to relocate all education programs for radiation therapists to a new program, which I believe is to be established at the Michener Institute.

I'll just quote from a letter that puts it into context. It's a letter that was sent to you on June 15 of this year from T.J.D. West of Don Mills, Ontario, and he or she writes:

"It is regrettable that you appear to be unwilling to meet with the representatives of our professional organization to discuss other more efficient and cost-effective ways of providing for the education for radiation therapists within Ontario. This is inconsistent with the stated philosophy of your government, which claims that it is committed to the consultation process. It would appear that your ministry is not prepared to listen to the proposals of those who actually provide the radiation therapy, preferring instead to take advice from senior Ministry of Health staff, representatives of management of the two provincial cancer agencies and the Michener Institute."

Minister, are you aware of the issue and would you like to perhaps explain the reasons for this reallocation?

**Hon Ms Lankin:** I can indicate to you that I don't have a great deal of information on this particular issue. I'm certainly willing to have a member of my staff look into this and meet with the individuals, if that would be of any assistance.

1730

**Mr Jim Wilson:** Apparently a decision's already been made by you or your ministry. If I went on to read the rest of the letter, the tone of the letter isn't very pleasant. Obviously, there's quite a bit of frustration expressed. Would you undertake to meet with the concerned group yourself?

**Hon Ms Lankin:** I would certainly undertake to have a member of staff meet with them first to go through the issue and find out what its status is, only because I don't have a lot of background knowledge on the issue.

I certainly know we have been attempting to increase the number of radiation therapists trained in the province to meet a shortfall and concern around growing waiting

lists for access to radiation therapy and that this issue has been managed over the course of a number of years within the ministry to try to meet those needs.

I'm sorry I don't have knowledge at my fingertips of the actual decision or circumstances that gave rise to the letter you have. I've done pretty well thus far in terms of your questions, but there's a lot that goes on within the ministry that I don't know on a detailed level.

**Mr Jim Wilson:** And I appreciate that, Minister.

**Hon Ms Lankin:** I could try to have some more work done on that and have a member of my staff or ministry meet with them in a preliminary fashion and from that see what follow-up is required.

**Mr Jim Wilson:** I appreciate that, Minister, but the concern is not only from individual radiation therapists but also from the Ontario Association of Medical Radiation Technologists. I'll leave that with you and be sure to send it your way. I believe Mrs Marland has some questions she'd like to ask.

**Mrs Margaret Marland (Mississauga South):** At the outset I would like to thank the Health critic for our caucus for allowing me a little time. I think what I'll do, Minister, if it's okay with you, is put before you a number of things, and if you don't get time to respond to them today, could I ask that I could have a written response in the future, only because we're now so short of time?

I want to read into the record a letter which is a copy of hundreds, maybe thousands, I'm sure you've received. This is on the letterhead of a school in my riding, St James School, over the signature of R. J. Kraft, the principal, and it was sent to you in May:

"Dear Minister: I am writing to you as principal of St James School in support of the Heart and Stroke Foundation of Ontario's tobacco advocacy efforts. Our school, representing 160 students, supports the Ontario campaign for action on tobacco and the coalition's objective to 'Give Kids a Chance.' The campaign's eight prescriptions for health to avoid addiction to tobacco industry products will have a significant effect in limiting children's access to tobacco.

"We are concerned in all of our communities that children are having access to tobacco products. Research shows us that coronary heart disease accounts for 18,000 deaths each year, in which 6,000 of these deaths are attributed to tobacco use. We must prevent our children from becoming tobacco users and eventually becoming one of these statistics in their adult years. If we are to curb this tobacco-related epidemic, we must pay special attention to our children and adolescents as we now do with access to alcohol and drugs.

"We commend you on initiating a comprehensive tobacco strategy for Ontario, but urge you to issue an enhanced regulatory framework for tobacco control and introduce legislation that embraces the eight-prescription plan. If this is done with the seriousness it demands, your ministry will go down in history as the government who truly stood with the health care community and its respective organizations in the fight against the leading cause of preventable death and disability in Ontario. We look forward



to a favourable reply and your support for the 'Give Kids a Chance' campaign."

I have the identical letter from Whiteoaks Public School in my riding, over the signature of Mr P. Guillemette. I also have it from the assistant professor of the department of paediatrics, Dr Ursula Tuor, at the Hospital for Sick Children, and Mr D. Wilson, the principal of Homelands Senior Public School in Mississauga.

I also want to read you another letter that covers a subject I know you will be familiar with, a letter over the signature of Dr John H. Barker of the Barker medical clinic, also in my riding:

"Dear Margaret: For the past 20 years, I have witnessed in my own medical practice the benefits of supplementing the diet of thousands of seniors with vitamin C and other nutrients. This inexpensive means of boosting resistance to disease has been very successful. It is used by a growing number of physicians and by millions of people, despite lagging support by a doubting establishment.

"It would be a backward step for the government of Ontario to remove vitamin C and other vitamins from the drug benefit list. Our older citizens would have the most to lose by such a negative health measure.

"In fairness, the government may be unaware of the vital importance of optimum nutrition, and particularly vitamin C, in enhancing the power of our body's immune system. The medical profession has itself been almost totally unaware of these important functions of vitamin C and other anti-oxidant nutrients in reducing risk in cancer and cardiovascular disease. Increasing evidence supporting this is now appearing almost daily.

"Thus, the new drug benefit proposal to remove these very items from the list is certainly not in keeping with the government's desire to reduce health costs by promoting prevention of disease. What an opportunity there is here for much-needed leadership in disease prevention. Lack of vision in this issue will have costly consequences both in dollars and disease.

"I'm enclosing some articles to support the above statements"—then there's a personal comment I don't think you're interested in. I would like to give you, Minister, the accompanying information and Dr Barker's letter. If I could request a response from you to that, I would appreciate it.

The other subject is still on the changes to the Ontario drug benefit plan, and these are some concerns that were brought to me by a man in my riding who has been a practising pharmacist for 45 years. I'm just going to list the concerns and the points he makes.

He has a general concern about drugs being removed from the formulary: "The public perception is that when a drug is removed from the formulary, it is of no benefit, but this is not true. For example"—interestingly enough, he talks about vitamins—"vitamins are very effective and inexpensive—example, \$10 per month—compared to other expensive drugs of questionable efficiency, such as Deprenyl, used by Parkinson's patients, which costs \$300 a month. The only vitamins retained on the formulary are B12 shots and niacin.

"Cough and cold therapy is wiped out. The suggestion is that nothing works. The logical switch would be to antibiotics, which are still covered by the plan, but antibiotics are expensive, can lead to serious secondary infections, and their overuse can result in the drugs losing their effectiveness, which is dangerous when the need comes to fight a very serious infection. Now the only cough syrups covered will be those with codeine, which require a doctor's prescription and bring with their use a risk of addiction.

"Antihistamines are removed. This could lead to the use of more potent drugs for allergic reactions.

"Anti-spasmodics: Some have been removed, and this could lead to patients being switched to more expensive, but not necessarily more effective, treatment.

"Quinine: commonly prescribed for leg cramps," and there's no alternative. I can vouch for the fact that quinine works for that problem.

"PEG-Electrolytes: essential pre-X-ray treatment; the alternative is castor oil." How regressive.

"Gravol and its generics: The suggestion must be that seniors don't get nauseated. The alternative now covered is a new anti-nauseant at a cost of (48\$)—per what?

"Sun screens: Seniors are much more susceptible to skin cancers than middle-aged and younger persons.

"Ointment and lotion vehicles are being removed from the formulary, yet skin specialists require them as a basis for prescription treatments. This section is most confusing."

He has a concern regarding process. I should tell you that this pharmacist is Ron Purdy; I didn't give his name at the beginning. He owns a number of small drugstores.

The Ontario Pharmacists' Association received a letter regarding the proposed changes on May 29. Mr Purdy received his copy of that letter from the OPA on June 5, which is a fair turnaround from May 29, but the deadline for a response was June 10, 1992. "So much for consultation" is his concern.

1740

Then there's the question of money saved. The money saved is \$100 million annually according to the ministry. Mr Purdy points out that this is not even the cost of one electron microscope. "The government is nickel and diming the pharmaceutical industry and the patients of the Ontario drug benefit plan."

I'm happy to give you a copy of this so you could respond in writing to those points as well.

The other general comment I want to make—and I do want to give the floor back to the critic—is that I don't know how much time has really been spent discussing dispensing fees. They were an issue long before you were the minister or your party was in government, Minister, but in fairness, the variance in dispensing fees has to be addressed for all people who require prescription medicines.

Some people are in a position to shop around and find the big stores or whoever has the volume that may lead to a reduced dispensing fee, but in small communities like the one my critic represents, for example, they probably don't have the benefit of the large multinational chains that can reduce prescription fees based on their volume. The small drugstore operator has to upfront the major capital cost of having all the drugs and medications in stock, on



supply, so when those sick persons need them, when they come in with a prescription that day, their costs are different from the person who has the advantage of volume buying and volume storage space compared to a small individual store. That is something you might like to address.

**Hon Ms Lankin:** You're talking about dispensing fees for people who are not covered by the Ontario drug benefit program, the general consumer?

**Mrs Marland:** Yes, the general consumer and the overall discrepancy between the different levels of dispensing fees. I'm quite happy to have these answers in writing if you have more questions.

**Hon Ms Lankin:** I would be pleased to answer them at this point in time as you've tabled them.

**Mrs Marland:** Excuse me, Minister, the critic has more questions, so in fairness to him I'd be happy to have your answers in writing.

**Hon Ms Lankin:** I'll keep my answers very brief, but I would like to give them verbally. It's a tremendous amount of work to provide detailed written responses, and in these areas I think I can provide them in fairly short order.

In response to the first letter you read into the record on the tobacco program, I appreciate the kind of response we're getting from schools across the province and others who are involved in this campaign. I can indicate to you that in addition to the kind of funding announcements we have made on health promotion programs targeted at tobacco and at children, we are in the process of developing a regulatory framework to suggest to the Legislature. That work is ongoing, so I hope you will be supportive when we come forward with that. I think the community, whose concerns you have brought forward, will in fact be supportive.

On the issue of the Ontario drug benefit program, specifically with respect to over-the-counter products that have been proposed for delisting from coverage on the Ontario drug benefit program, that is a follow-up to the recommendation of the Lowy commission. The recommendations have gone through extensive review and have been promulgated by the Drug Quality and Therapeutics Committee, which you know is a scientific community.

The suggestion that the perception is that if these are delisted it means they don't work is something we should take seriously. We should try to deal with that perception, because that's not necessarily the reason for taking something off the program. In some cases it may be of questionable value and that reason should be spelled out, but in certain situations we have had products that have crept into coverage under the program which in fact don't really fall within the criterion of "medically necessary." They may well fall within the very important criteria you focus on in terms of disease prevention or health promotion, but the program itself—and it has been growing in cost—is really designed to provide seniors and those persons with limited financial ability the assurance of access to critical drugs that are medically necessary in those times of illness.

In fact, the expansion of the program beyond that is one that jeopardizes our ability to keep the main goal in focus. That has been one of the reasons for the Lowy review and others that have suggested we need to focus and to keep the program clear. I understand the concerns on things like sun screens, which are preventive and which are helpful, but they're not exactly the kind of thing that was envisioned when ODB was created in terms of a program to provide access to those critically medically necessary drugs to keep people's health status when they are suffering from illnesses.

In terms of the consultation, I would add that although the time period for response was tight, we did provide an opportunity for people to come in to a central meeting to consult with representatives of the profession as well as to try and have a dialogue and provide them with more background information.

On the issue of dispensing fees, I appreciate the point you raised. There are general discussions taking place with the industry by the drug reform secretariat over the course of the next period of time around the structuring of dispensing fees and the issue of markup versus dispensing fees. It may well be that this will lead to some different considerations with respect to access by the general public, although I would point out that where this is a private sector commercial operation, the entrepreneurial differences between pharmacists' companies and delivery mechanisms will probably lead, for the general public, to those kinds of differentials. But we will take that into consideration as we meet with them to express your concerns.

**Mrs Marland:** Do you want to do that in writing after your staff has reviewed the material?

**Hon Ms Lankin:** I think I spoke to that in terms of the issue of over-the-counter drugs and the response that these have been reviewed by the Drug Quality and Therapeutics Committee. I will undertake to provide you and all members of the House with a detailed list when we finally make the decisions, with respect to the list that has been out under consultation, of the reasons why the status of each and every one of the products was changed.

**Mrs Marland:** Could I ask for a response to the submission that has the argument in support of this preventive health direction, which is what I think you want to encourage, preventive health?

**Hon Ms Lankin:** Certainly.

**The Chair:** Mrs Marland, thank you. Mr Wilson's been most patient.

**Mrs Marland:** I was just asking if I could have that.

**The Chair:** I know you were, Mrs Marland, but I was recognizing Mr Wilson.

**Mr Jim Wilson:** Mrs Marland, I'm hopeful the minister will undertake to provide some of that in writing in a more thorough way.

Last Thursday I had the opportunity to tour our health facilities in Peterborough. I went to both St Joseph's and the Civic Hospital. On my rounds, I met a very interesting lady by the name of Mrs Jean Gunn, who is the president of A Closer Look X-Ray Inc in Peterborough.

It once again hit home to me that something's going on in your ministry with regard to commercial providers of health care services, or private sector providers. Mrs Gunn tells me that late last year her licence and authority to provide a number of necessary in-home X-ray services was drastically reduced. In fact, there was a decision made by your ministry that she had to discontinue providing a number of valuable in-home services, including the fact that she went into a number of local seniors' homes, rest homes and anywhere she was called in—on doctor's orders, of course, as is required.

I wanted to ask you whether it makes any sense to you that Mrs Gunn can no longer provide her service, because your ministry has not provided good reasons for discontinuing her authority. I think the figures in the local paper that day were that as a result of her being forced to withdraw her services, the Ministry of Health is now paying an extra \$60,000 a year transporting patients by ambulance to either the Civic Hospital or St Joseph's for X-rays. Do you have any comment on that? It should have been brought to your attention, because I know one of your senior ministry officials met with Mrs Gunn earlier this year in an attempt to address her concerns, really in vain as far as Mrs Gunn was concerned.

1750

**Hon Ms Lankin:** I appreciate your opinion that it should have been brought to my attention. It has not been brought to my attention, I'm not aware of the case, and I wouldn't be prepared to comment on a specific provider's interaction with the ministry around the status of her licence and what she or is not able to provide. I'll certainly look into the issue you have raised, and in particular the appropriate or inappropriate use of an ambulance to transport non-critical patients for the purpose of obtaining X-rays.

**Mr Jim Wilson:** I'll just give you a little help there. It was Dr MacMillan who met with Mrs Gunn, so you shouldn't have too far to ask what's going on.

Minister, also on Monday, June 22—Monday last—I met with a committee of independent pharmacists who have concerns regarding your government's intention of banning the sale of tobacco products in pharmacies. It really has reference to Mrs Marland's comments and concerns. I think what the independent pharmacists would like to get across to you is that they very much feel that your government wants to ban the sale of tobacco products in pharmacies but not across the board, ie, that they would be put at a competitive disadvantage if the government were to follow up on what I know the Ontario College of Pharmacists has recommended. They've had a number of their members now elected to the College of Pharmacists, and they're working to have that decision of the college overturned.

I guess my question is twofold, Minister: Are there plans on the table to ban the sale of tobacco products in pharmacies? Second, would this be done by legislation, or do you have the power to do that by regulation?

**Hon Ms Lankin:** As I have indicated directly to the Ontario Pharmacists' Association at its annual meeting, I appreciate the kinds of concerns that have been raised by

certain pharmacy owners with respect to this issue. I equally appreciate the work the college did that led it to develop and propose this recommendation. It is an issue that is under active consideration, and as I have indicated, from a health perspective it is one I personally am supportive of government giving consideration to.

**Mr Jim Wilson:** In terms of banning it outright just in pharmacies, do you not find that discriminatory? For instance, when I worked for the federal government, we looked at sector-by-sector bans. If you haven't already, I think you may want to seek advice on whether that be constitutional. I would think any pharmacist who wants to sell a legal product and is put at a competitive disadvantage vis-à-vis the smoke store or grocery store down the street would have an excellent constitutional case. Have you sought advice or received advice on that from your ministry officials?

**Hon Ms Lankin:** As proposals with respect to any regulatory framework are being developed, legal counsel does review and provide advice on that, and I'm sure I will receive a full range of advice with respect to that proposal which has been put forward by the College of Pharmacists.

**Mr Jim Wilson:** And that would be through regulation, Minister?

**Hon Ms Lankin:** I'm sorry, in terms of the technicalities of whether it would be regulation or legislation I can't answer at this point in time. We haven't got so far as to actually draft various provisions as we're still working on the policy decision-making.

**Mr Jim Wilson:** Would you get back to me, just on the question of authority, whether it would be a matter that would come before the Legislature or whether it would be done through a change in the regulations?

**Hon Ms Lankin:** I can indicate to you that it is my intention, if I receive approval through the various cabinet policy processes, to bring forward legislation that would include both legislation and regulation, and at that point in time when I table that we can specifically look as to whether or not a policy decision has been made to support the college's recommendation to us on the ban of sale of cigarettes or tobacco products in pharmacies and what form that takes, either legislation or regulation.

**Mr Jim Wilson:** Thank you, Minister. Mr Chairman, I'd like to give the last word to my colleague Mrs Marland.

**Mrs Marland:** I have one further letter on the Give Kids a Chance campaign, which is over the signature of Hardy Limeback, who is an associate professor, department of preventive dentistry, at the faculty of dentistry, University of Toronto. He is a University of Toronto researcher working in the cardiovascular health field. I just add it to the other letters on that subject that I will be giving you a copy of. Most of them have already been addressed to you personally.

**Hon Ms Lankin:** Okay. I thank you and I appreciate that. Following up on your colleague's questions, I would just point out that individuals who are part of this campaign have been voicing very loud support for a regulatory framework that would prohibit access to tobacco products



in certain venues and certainly limit access by youth to tobacco products, so I think there is a range of growing public opinion in support of a tougher regulatory framework.

**Mrs Marland:** What does it mean, "in certain venues"?

**Hon Ms Lankin:** For example, the question your colleague just raised with respect to the sale of tobacco products in pharmacies or other health care facilities; hospitals, for example. Those recommendations have been made to government and they're under active consideration.

**The Chair:** Although there remain 49 minutes in order to complete our Health estimates, I believe there is unanimous consent from the committee to call the votes at this time. Is that agreed?

Interjection.

**The Chair:** Yes, I'm going to give an opportunity, Mrs Sullivan. I would like to proceed through the votes on the off chance that we're called to the House. When one looks at the clock, one realizes that we may not be able to complete today by virtue of being called to the House. I'm anxious to get the votes portion done, and then the Chair will permit some summary comments by the two critics very briefly, if they so choose.

**Mr Bisson:** Agreed.

**The Chair:** You don't have to agree; that's my ruling.

Votes 2001 to 2003, inclusive, agreed to.

**The Chair:** Shall the 1992-93 annual estimates of the Ministry of Health be reported to the House?

Agreed to.

**The Chair:** Having completed our Health estimates, perhaps Mrs Sullivan wants to make a brief statement, then Mr Wilson.

**Mrs Sullivan:** I think as we've gone through this estimates process that it's been very clear to the minister that both of the opposition parties are concerned about the approaches being taken to restructuring in health care in terms of the delivery and that have been underlying some of the unease that's being expressed to us about changes that are being made.

Certainly while changes to health care delivery do bring unease, of course they also bring new opportunities. One of the things that is very clear to me is that people want to be assured that any changes made won't be arbitrary, that there will be adequate consultation, that the change will be based on adequate research and a broad-based policy development and a full analysis of alternatives. I think that over the past year there have been some concerns raised in all of those areas. I think, by example, of the Ontario drug benefit program, where some drugs were removed from the formulary without consultation or, apparently, understanding of the use of those drugs.

Interjection.

**Mrs Sullivan:** I know; I'm hurrying up. We look again at the ODB program and we see 14 days allowed for consultation on removal of over-the-counters. We see similar problems because of lack of consultation with medical

laboratories in terms of changes. Although latterly fixed up, none the less that consultative process was flawed. The Public Hospitals Act, same thing: difficulty in the consultative process, where flaws have to be fixed up. As long as that kind of flaw is seen, there is going to be continuing unease and continuing questions asked about the entire approach and policy development in the ministry. That's what our questions underlined: how policies are being made, who's being talked to, who the stakeholders are, what analysis is underneath. That's the kind of information we need.

1800

**Mr Jim Wilson:** I want to very briefly thank the minister and her senior officials and assistants. It was my first opportunity to go through an estimates process and I enjoyed it immensely.

I think a number of themes come out of it. One, I would express in a polite way my disappointment that I still—and maybe it's my own deficiency—don't have a tremendous sense that there is a management plan in place, although I have a good sense as a result of the responses from the minister that she is working very hard. I note that she certainly provided us with timely information and, I think, responses many times that were much appreciated and as thorough as one can expect from a fellow human being who has to remember so much information. I respect you for that, Minister.

I want to make a plug that perhaps, if we have the privilege of doing estimates again, you may want to clear your schedule for several weeks and ensure you're able to attend every day. I know you had to be in Ottawa, but we wasted about an hour yesterday arguing over your attendance and I think that was unfortunate because we had many more issues we wanted to raise.

Finally, Minister, if I may say, health care would be enhanced greatly in Simcoe county if you would give approval soon to the redevelopment of the Collingwood General and Marine Hospital, the Royal Victoria Hospital in Barrie, Orillia Soldiers' Memorial Hospital and, of course, Stevenson Memorial Hospital in Alliston, where I was born.

I thank you for your patience with us and the answers you provided. I am looking forward to working with you.

**Hon Ms Lankin:** Let me say that this also is my first experience with estimates, and my apologies for the confusion that apparently took place yesterday around my attendance. As you are aware now, I guess latterly, I was attending the national physicians' conference and was representing all provincial and territorial ministers of health. It was an important venture to be involved in.

I appreciate the nature of the concerns that underline the kind of questions raised by both opposition critics. I think there is an instructive element to the questions that has been helpful to me as well, in terms of understanding where perhaps we need to spend more attention and understanding where perhaps I need to communicate better the intentions of the government so they are more apparent.

I understand the concerns particularly around matters of consultation and strive to improve the way we work

with all the stakeholders, but I point out that in a number of areas it has been viewed, given the nature of the difficult fiscal circumstances we face and the need to move in certain areas to contain costs while we work with the parties in a collaborative way to try to reform and restructure to build a better health care system, that certain steps we felt had to be taken in the context of fiscal and budgetary decisions that didn't allow for the fullest consultation. I know that has caused great concern to a small number of stakeholders who experienced the results of that. I have apologized to them and hope to work with them more collaboratively in the future.

I look forward to continuing my work with the two opposition critics and the members of the government on these very important issues.

**The Chair:** Thank you, Madam Minister. I would like to thank the deputy and assistant deputy ministers for their participation as well. I also would like to suggest that it would have been far more helpful had the ministry been able to distil the large number of questions and separate those that required time and those that did not.

An incident occurred yesterday which, as the Chair, I will be bringing to the attention of the Speaker quite independently, as I feel that the privileges of one of the members may have been breached. As the Chair's initiative, I

will be raising that directly with the Speaker. I just hope all members are treated fairly and equitably in the process of estimates so they can complete their work in accordance with the spirit and intent of our standing orders.

Having said that, I have two items to report to the committee. If the Legislative Assembly agrees to meet next week, according to the House rules we will be reconvening on Tuesday and we will instruct our clerk to so advise the Ministry of Education and the appropriate critics to be prepared. Also, should we receive permission from the House leaders to meet through the summer, we will reconvene then. If not, then we will reconvene when the House reconvenes in September.

There's no other business.

**Mr Bisson:** I have a question. Both points that you raised with regard to the times for estimates are dependent on agreement with the House leaders, I take it.

**The Chair:** That's what I indicated. The first is that if it is the wishes of the House that we sit next week, I am just advising the committee that we will.

There being no further business, this meeting stands adjourned until Tuesday next.

The committee adjourned at 1806.









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- \***Vice-Chair / Vice-Présidente:** Marland, Margaret (Mississauga South/-Sud PC)
- \***Bisson, Giles** (Cochrane South/-Sud ND)  
Carr, Gary (Oakville South/-Sud PC)
- \***Eddy, Ron** (Brant-Haldimand L)
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- \***Frankford, Robert** (Scarborough East/-Est ND)  
Lessard, Wayne (Windsor-Walkerville ND)
- \***O'Connor, Larry** (Durham-York ND)
- \***Perruzza, Anthony** (Downsview ND)  
Ramsay, David (Timiskaming L)  
Sorbara, Gregory S. (York Centre L)

#### **Substitutions / Membres remplaçants:**

- \*Sullivan, Barbara (Halton Centre L) for Mr Ramsay
- \*Wessenger, Paul (Simcoe Centre ND) for Mr Lessard
- \*Wilson, Jim (Simcoe West/-Ouest PC) for Mr Carr

\*In attendance / présents

#### **Also taking part / Autres participants et participantes:**

Lessard, Wayne (Windsor-Walkerville ND)

**Clerk: Greffier:** Carrozza, Franco



## Legislative Assembly of Ontario

Second session, 35th Parliament

## Official Report of Debates (Hansard)

Tuesday 30 June 1992

## Standing committee on estimates

Ministry of Education

## Assemblée législative de l'Ontario

Deuxième session, 35<sup>e</sup> législature

## Journal des débats (Hansard)

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Ministère de l'Éducation



Chair: Cameron Jackson  
Clerk: Franco Carrozza

Président : Cameron Jackson  
Greffier : Franco Carrozza





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# LEGISLATIVE ASSEMBLY OF ONTARIO

## STANDING COMMITTEE ON ESTIMATES

Tuesday 30 June 1992

The committee met at 1541 in committee room 2.

**The Chair (Mr Cameron Jackson):** I call to order the standing committee on estimates. We'd like to welcome the Minister of Education as we are to commence the estimates to the Ministry of Education. We have been allocated 10 hours and we have three specific votes to complete in the time allotted.

If I might take care of a minor housekeeping matter, I'd inform the committee that I received a response from the government House leader to our letter of June 24 requesting additional sitting time for the standing committee on estimates in either a one- or a two-week period when the House rises. According to Mr Cooke's letter, he indicates, "The House leaders agreed this morning that the standing committee should continue to sit for the consideration of estimates during regularly scheduled times until the House rises."

So by way of information, it would appear that the House leaders have not dealt with the substance of our letter, but it is their opinion that we should be sitting until the House rises and the clerk has been communicating to the ministries affected and to committee members. That is just for information.

### MINISTRY OF EDUCATION

**The Chair:** Now if I may, I would like to welcome the minister. I'm sure he is aware that he has up to half an hour for any of his opening comments. Then we will recognize the official opposition and the critic, who has up to 30 minutes for his opening commentary, and the third party, with 30 minutes allotted.

I wish to advise the committee that the House leaders have notified the Chair that in all likelihood several education bills will be called before the House soon after 5 o'clock. In accordance with our standing rules, the attendance of most of the members of this committee as well as the minister and his staff will be required in the House. In recognition of that fact, we'd like to get started immediately.

I will ask the minister to commence his comments and introduce any individuals he wishes to welcome as well to assist him. Minister, we're in your hands.

**Hon Tony Silipo (Minister of Education):** I would like first of all to say I am pleased to be here before the standing committee on estimates. It's nice to be back in a committee room. I hope I'll still be able to say I'm pleased to have been here at the end of this process, but I suspect I will.

All I'm going to do in terms of introduction is to introduce Ray Chénier, acting deputy minister, who's sitting with me. There are a number of other officials from the ministry who are here and can assist us in the process as

we go through, but I won't take the time to introduce them now.

As I said, I am pleased to have this opportunity to appear before you and present the 1992-93 estimates for the Ontario Ministry of Education. We have accomplished, I believe, a significant amount in recent years and are charting a course for the future which will reshape and redirect our schools and education system in a fundamental and lasting way.

Economic renewal, as you know, is a top priority of the Ontario government. Jobs, services and controlling the deficit are keys to putting Ontario back to work. Change to our elementary and secondary education system supports this agenda. It supports it in the short term through measures to promote restructuring and flexibility at the school board level; it supports it in the longer term through measures to renew our school system so that it will continue to provide Ontario's young people with an education that prepares them for a prosperous future.

Our mission is to provide leadership in three areas: enabling all learners—children, youth and adults—to develop their full potential both as individuals and as contributing members of their communities; ensuring that those who participate in education—learners, teachers, trustees and administrators—perform to the best of their ability; and helping build a prosperous, responsible society.

We have diligently pursued this mission and have made significant strides in restructuring Ontario's educational system. Many of you will know that the ministry has initiated a plan for program reform that will change the focus of education at all grade levels. The plan focuses on and sets overall objectives for the following six key areas:

1. In the early years, junior kindergarten and kindergarten, the objective is to provide a quality of access to a balanced education program for four- and five-year-old children.
2. In the formative years, grades 1 to 6, the objective is to give students opportunities to develop basic learning skills, including literacy and numeracy.
3. In the transition years, grades 7 to 9, the objective is to give students more time to discover their talents and interests and to facilitate the transition from elementary to secondary school.
4. In the specialization years, grade 10 through graduation, the objective is to give students opportunities to explore possible career choices and develop their full potential.
5. In the technological education area, the objective is to ensure that students develop the technological skills they will need in our society.
6. We know that in teacher education, an important area, the objective is to ensure that teachers are provided with appropriate pre-service education and ongoing professional



development so that they can meet the needs of their students and deliver quality education.

There has been extensive consultation on this plan, highlighted by the publication of consultation papers for the early years, the formative years, the transition years, the specialization years and technological education. I want to acknowledge, of course, that this work was begun even before this government took office and that it is work we are delighted to continue.

While progress has been made, current economic conditions prompted us to set in place a process to accelerate and focus education reform. This was first seen in the most recent throne speech, in which the government recognized the critical importance of education to our society and economy. It is now being reflected in the actions the Ministry of Education is taking. We are concentrating on fast-tracking our efforts in three areas: program reform, education finance reform and education governance.

A key to economic recovery is the restructuring of Ontario's broader public sector to maintain and improve service. For the elementary and secondary education sector, this means we are committed to changing the way in which we carry out the education enterprise in Ontario. "Change" means that school boards must operate in a more cooperative framework with each other, with their employees and with other service agencies in their communities. In these areas, as well as in everything the ministry does from here on, four principles—excellence, equity, accountability and partnership—will serve as the foundation for future progress and as benchmarks against which success can be measured.

"Excellence" means a new commitment to the highest possible achievement in literacy and numeracy for all our students. It means a commitment to helping students to develop analytical and critical skills to prepare them for a life of learning, genuine and responsible citizenship and full participation in our society and economy.

"Equity" means a commitment to social justice. It means building a system that is (1) free of barriers raised on the basis of ethno-cultural or racial background, gender or socioeconomic level, and (2) it means building a system that is proactive in its commitment to a relevant curriculum and equity of outcome for students of every social group and background.

"Accountability" means we can show how effectively our school system meets these goals of excellence and equity. It means describing clearly the appropriate levels of achievement for students throughout our school system and demonstrating publicly how well our students do.

"Partnership" means recognizing the shared responsibility for education in Ontario. We fully realize the importance of the role local school boards and schools play in realizing our common commitment to excellence and equity. However, it is only when all the stakeholders—parents and students, teachers and other school board staff, ministry officials and trustees—work together with a common understanding and purpose that genuine change can come about.

As I mentioned, we are focusing our attention in the near to medium-term future on program reform, education finance reform and education governance.

First, in regard to program reform, over the coming months we will bring our current program initiatives together in a comprehensive package of reform. Our consultations on the early years, the formative years, the transition years and technological education have been fruitful in working towards an understanding of these areas and in helping us to work out directions we should take. Two other consultations, one on the specialization years, the other on integration of exceptional students into local community classrooms and schools, will soon be completed and their findings will feed into this process.

We are currently developing a more detailed set of principles that will guide the comprehensive education policy. Throughout the summer, a small working group that includes members from the ministry and the education community will work to draft a document that lays out this framework for education reform in Ontario. Our intention is to present a proposed direction this fall.

#### 1550

In regard to education finance reform, as I'm sure you know, I have established a minister's advisory committee which I chair, which includes representatives of each of the four school board trustee organizations in Ontario, the Ontario Teachers' Federation and school support staff unions. We are working in step with the ministry's finance reform secretariat and the government's Fair Tax Commission. Our objective is to put together recommendations that will go to cabinet in early 1993 with a view to begin implementation of finance reform in September 1993.

Everyone here I think understands that a new approach to school funding is a critical component of change in the education sector. The current education funding system was designed in the late 1960s. It no longer meets the educational needs of students. It can no longer support the kinds of education programs and services that we need in the fast-changing world of the 1990s. We need a system that is fair to taxpayers and fair to students.

In regard to education governance, the government is committed to the autonomy and rights of Roman Catholic separate school boards, to the initiatives under way for first nations communities and to French-language education governance in Ontario. At the same time the financial pressures on boards clearly show that it is time to begin discussions about what school boards must do on their own and what activities school boards can share in order to reduce duplication of overhead and other costs.

The Ministry of Education has begun an internal review of our relationship with school boards. We are examining whether the present levels of shared responsibility will continue to serve the needs of an education system that is being reshaped and revitalized both in its programs and in its finances. We want to know what changes could be made so that together the ministry and school boards can deliver a more equitable, more accountable education system that is rooted in excellence.

In each of the three areas, program, finance and governance, I am pleased to report that considerable progress reflecting our principles has been made and will continue in 1992-93. Much of what we will accomplish will advance the agenda for equity, which is certainly a key issue



for the future of education in Ontario. This government sees greater equity in Ontario's economic and social structure as a matter of fundamental justice, and as such, a key to the partnerships needed to build economic renewal. Equity is there for an important strategic objective in education.

A major consultation process was initiated during the year, concerning the integration of students with special needs into local classrooms and schools. Integration is an issue of fundamental equity and therefore a priority of the Ministry of Education. Our integration consultation paper, which was released in January, is giving us the input from school boards, special interest groups and individuals that will allow us to move quickly towards greater integration. Our objective is to make the integration of exceptional pupils into regular classrooms the preferred option for a student's education wherever possible, when it meets the student's needs and when it is the parents' choice. As a result, all school boards in the province will be required to take their first steps towards greater integration by September of next year. Some boards have already taken these steps.

Equity is also a primary concern as we make significant progress on program reform in Ontario schools. Junior kindergarten programs will be available through all school boards by 1994. This reflects our belief that children in this province should have access to education as early as reasonably possible.

I recently sent school boards details of our plan to begin reform of education programs from junior kindergarten to grade 9. We're starting with grades 7, 8 and 9. The plan calls for school boards to introduce new programs for these grades in September 1993 and to achieve full implementation of these programs within three years. These programs will bring new emphasis to the results of education. They will be based on a clear definition of what we expect students in these grades to learn: the essential knowledge, concepts and skills that they should acquire. Curriculum documents that identify these core learning outcomes for all levels, up to and including grade 9, will be released in the fall of this year.

The development of the provincial Benchmarks Project will play an important role in this new emphasis on results. Benchmarks will provide parents and teachers with detailed but clear descriptions of our expectations. The destreaming of grade 9, eliminating the separation of students into basic, general or advanced classes, is another vital component of this emphasis on results. It will also enable us to phase out dead-end programs that do not lead to decent jobs or later learning, to stop labelling students and lowering hopes and expectations for them, and to demonstrate a further commitment to the pursuit of equity and excellence together.

Destreaming and the broader program of reform will also support the action we are taking on a number of fronts to address issues of anti-racism and ethnocultural equity in our school system. As the Stephen Lewis Report on Race Relations in Ontario noted, curriculum reform and destreaming are issues of vital importance to minority students.

We will continue to demonstrate our commitment to literacy and basic skills training in 1992-93. In 1991-92 the ministry provided \$15.3 million for literacy programs and services for adults throughout the province and to help workers who needed to improve communication, reading, writing, basic numeracy signs and basic computer skills.

To date in 1992-93 the ministry has already announced \$28.4 million in funding for Ontario basic skills programs which provide a broad range of basic skills training in reading, writing, mathematics and science to grade 12 equivalency, as well as computer literacy, life skills and work adjustment skills.

The ministry, in cooperation with our education partners in communities, will move forward on a number of fronts to address issues of anti-racism and ethnocultural equity in our school system. As you know, Bill 21 will require all school boards to develop and submit for ministry approval policies on anti-racism and ethnocultural equity.

Also, a new assistant deputy minister position responsible for anti-racism and ethnocultural equity has been established within the Ministry of Education. This senior staff person will provide leadership in the Ministry of Education to ensure the development and implementation of a truly anti-racist curriculum throughout Ontario schools; the development, implementation and monitoring of school boards and ministry corporate policies on anti-racism, ethnocultural and employment equity; and effective in-house ministry training for anti-racism and ethnocultural equity.

Together with the Ontario women's directorate, we launched a series of pilot projects designed to assist students who witness family violence. This is unfortunately a growing phenomenon in Ontario. Affected children suffer in a number of ways, from poor performance and behaviour in school to psychological adjustment problems generally, to the risk of being assaulted themselves.

Social workers in eight school board areas are now developing programs focusing on family violence in general and wife assault and the effects on children in particular. Some of the programs already being provided include family violence prevention activities, individual group counselling and/or referral and liaising with various agencies to create a school agency support network.

We've introduced three new initiatives to mark a significant strengthening of the province's commitment to native education: a new native-language policy requiring school boards, as of this September, to offer native languages programs when the parents or guardians of 15 or more students request instruction in a native language and a qualified native-language teacher is available; a new native studies guideline, intermediate division, which outlines a program of native studies for grades 7 and 8 which explores community organizations, social change and social conflict in the Canadian context from a native perspective; and a computer software program for the Cree language—which is now available—that not only displays a syllabic text but also speaks to the user so that he or she can learn both visually and orally. The program utilizes both Eastern Cree and Western Ojibway Cree syllabic

texts. We also provided funding of \$1.15 million for demonstration projects in aboriginal education.

As I'm sure members know, a one-person commission appointed by the ministry was able to provide the framework for an agreement that can ultimately resolve the serious school accommodation problems in Ottawa. As a result, we released \$20.21 million in capital grants for 1994-95 which had been frozen pending recommendation of the commissioner to the Carleton Board of Education and the Carleton Roman Catholic Separate School Board.

Following the release of the results of provincial reviews of student achievement and teaching practices in mathematics at the grade 8, grade 10 general and grade 12 advanced levels, the ministry announced three initiatives. The review results showed that on average our students perform well enough on basic skills but are clearly having trouble applying these basic skills to more complex mathematical tasks and situations that call for creative problem-solving. Initiatives are the preparation of action plans for English-language and French-language schools that can be implemented by the next school year. The development of these plans include a review of curriculum guidelines, resources for mathematics instruction and teacher education practices. School boards, teachers and universities are playing key roles, and we are reviewing mathematics programs in schools and boards that have better-than-average results.

Second, priority is being given to the development of mathematics benchmarks for grades 3, 6 and 9. The benchmarks will clearly define critical learning outcomes that most students can reasonably be expected to achieve at key points in their education. They will serve as standard reference points for the province, boards, schools and the public.

Third, there is collaboration with local French-language school boards and sections to make improvement of math and science programs a priority of the French-language consultative service which the ministry provides to school boards.

Ontario, as members know, is also taking part in a national school achievement indicators program, which we initially declined to join. This decision to participate resulted from an agreement by the Council of Ministers of Education—Canada, to make significant changes in the programs, goals and design. The changes reflected Ontario's position on three major issues: The program will be based on each province's curriculum requirements; it will allow provinces to choose samples that reflect each province's demographic makeup, and provinces will be able to consult with educators, school boards and parents about the content of the tests.

We will further our partnerships with school boards to enable them to operate more effectively. For example, we are making a total of \$50.2 million available to support structural change in Ontario's school system. These funds will be used to support initiatives and partnerships developed through employer-employee cooperation.

1600

Three main project categories are eligible for funding: labour adjustment initiatives to make the collective bargaining process more flexible and to preserve jobs and

programs; employer-employee plans to restructure school board operations to achieve cost savings, and administrative cooperation involving school boards and other agencies such as municipalities, hospitals and social service agencies and organizations. A portion of the funds are available for boards in the same area to obtain computer hardware and software to help plan the sharing of school bus routes.

I also participated in extensive consultation with representatives of local educational communities following the January announcement of the 1%, 2% and 2% increases in school board transfer payments for 1992-93 and the following two years. We sought the insights and opinions of students, parents, teachers, trustees and school board staff on how we could be deal with this difficult financial situation.

A number of positive outcomes resulted from these meetings. Grant ceilings were increased to lessen the impact of the reduced transfer payments on less affluent school boards; we are giving active consideration to adjusting the school board fiscal year beginning in September 1993 so that it would coincide with the school year and also coincide with the beginning of the education finance reform that I referred to earlier, and as I explained early in this presentation, education finance reform is being fast-tracked.

This essentially completes my overview in support of the Ministry of Education's estimates for the 1992-93 fiscal year. There are a number of areas I've touched on and indeed a number of areas I haven't gone into any detail on, and I look forward, in the exchange that will follow in the days to come, to sharing in more detail some observations and, obviously, to hearing from members their comments and criticisms of what we are doing.

I'm sure you will agree with me that our strategic direction makes sense, given economic and social conditions—or you may not agree with that and that will obviously be part of the discussion we will have. But I believe we are well on our way to an equitable, accountable education system which continues and needs to continue to be rooted in excellence. Thank you for listening.

**The Chair:** Thank you very much, Minister. I would like to recognize Mr Beer now, who will present the opening statements on behalf of the official opposition.

**Mr Charles Beer (York North):** I'm not sure when the last time was that the Ministry of Education's estimates were presented before committee. It has been a while because of the change in the system.

**The Chair:** Three years ago.

**Mr Beer:** Is it three years ago? I know one of our colleagues, in a paper on parliamentary reform, suggested that Education should be a permanent committee. The Chair will recall that between 1987 and 1990 we had a select committee on education, which I think was a very useful vehicle for exploring a number of issues. This is perhaps one area where having an ongoing committee particularly to deal with some of the broader issues—if one goes back today and looks at the four reports the select committee did, there may be some elements where one may say that perhaps we might have gone in a slightly



different direction. But I think the ability to bring before a legislative committee a number of the main players in the educational field and to give more members of the Legislature a better sense of what the issues are and where we are going is a good one, so I simply make that announcement, plug, whatever, as we begin.

In starting, if I think only of the issues you noted in your opening remarks, Minister—funding, accountability, destreaming, junior kindergarten, special education, teacher training, literacy, anti-racism and the list goes on—I am really struck by the role the education system is meant to play in our society; that, if you like, is one of the problems that system faces.

I want to comment on a number of specific things, but I want to begin with the whole question around children's services. I do that because I think one of the documents that has come out in recent years, the Children First report, is of direct interest to this ministry as well as to the Ministry of Community and Social Services, the Ministry of Health and the Ministry of Tourism and Recreation. In particular, when one talks with teachers and school trustees, one of the real problems facing the system is how it can in effect deal with virtually every societal issue or problem we have and the concern, if you sit down with a principal of a school and look at her day and the kinds of things being dealt with, that our education system needs some help from other components of the system.

We've all wrestled with this, but I think it is critically important that we really try to find ways in which the health system, the social services system and the recreational system can play a greater role in supporting children's lives. Clearly the school, the actual building, is one place where everybody comes together. I think the needs out there really require that other sectors of society become involved and take off some of that pressure.

If, as the minister says, we are trying to meet those fundamental goals of excellence, accountability, equity and partnership—particularly excellence—I think we have to be very conscious of the teacher in the classroom and what we can do that is going to assist the teacher in being able to focus his or her time fundamentally on instruction, on education and not having to be concerned in a direct way with a whole series of health and social problems, which any good teachers are going to be aware of, but where they should be able to call upon other parts of society to help.

My reason for raising this at the outset is that I think that particular report, while one doesn't have to agree with every line or every recommendation, was one of the first attempts to look at the whole provision of services to children in a much more comprehensive way.

I might put in another note, that the standing committee on social development is hoping to take a more specific look, this summer and in the fall, at the provision of children's services and how all those systems would come together.

The second point I want to make, Minister, is around the whole question of accountability. You made reference to a series of programs that you are undertaking with respect to maths and sciences and the Benchmarks Project and the fact that when you became minister you deter-

mined that Ontario should participate in national testing program of the Council of Ministers of Education—Canada, something which we and the third party had argued for quite strongly.

I think we need to underline at the outset, with respect to accountability and how parents can have a better sense of how their children are progressing in the school system, that nobody is talking about going back to the old grade 13 departmental style of exam. I'm one of those who went through that. It was a grim experience and I don't know that my learning was assisted by doing that.

At the same time, I think there is an equal concern among many parents that they don't understand just what skills are being developed within our current system, what the goals and objectives are of particular programs and courses. Often one finds at the end of a meet-the-teacher night in the fall parents looking at documentation they've been provided that's to tell them how Johnny or Susie is going to be evaluated and not being able to relate to it.

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I think we have to take that very seriously, because if we don't, we all know there are groups out there that are concerned, some of which I think are raising very legitimate questions around wanting to see somewhat more structure in our academic programs. Others perhaps are in another time and seek to take us back in a way I don't think we would want to go, but if we leave that issue and don't really try to come to grips and work with what really is a variety of parental organizations and teacher groups around the kind of education we're providing, if we don't reach out and include them in this process, I think we could see a much more severe reaction, not only against school boards but against a kind of system that would be equitable, accountable and depending on new partnerships.

I think at the root of that is that as we go about developing benchmarks, as we go about developing new evaluation models, techniques, testing or however you want to call it, we do that in a way that can be readily explained to parents, where they can have a sense of what it is that at the end of grade 3 or grade 6 they ought to be able to expect that their son or daughter can do; again, not to penalize the teacher or the board if that hasn't been met, but really to assist in determining what's missing. Is there a learning problem that perhaps the pupil has? Is there a question or a problem of resources within that particular school system? What is it? How do we deal with that? How do we then have a system where more parents can feel there is an accountability both between them and the teacher and between them and the school trustee?

I've found over the last five years, since I've been here and since I sat initially on several of the select committee reports, that you hear those concerns more and more. If you then talk about a particular teacher, often parents will say, "Look, I really like Ms Jones or Mr Smith," but there is an overall sense sometimes that they're just not sure what they as parents should be expecting of their children at certain stages. I think we need to do a lot more work around that, particularly when we look at the kinds of changes that are going on elsewhere and at that new sort of world we're told is emerging in terms of everything being



much more competitive. We're really doing a disservice to our own kids if we don't try to make sure that school system is as excellent as it can be.

We'll have an opportunity in the more specific line-by-line discussions to look then at issues like remediation. For example, it seems to me that when we talk about the dropout rate and the dropout problem at the secondary level, by the time young people are at secondary—in a sense, it's not that they can't be retrieved, but really it is too late. We need to look at the kinds of remedial programs we're bringing in at the elementary level to help kids who have problems, to identify what those problems are and to get that support in so that they can overcome whatever the learning difficulty is. I think there are a number of strategies like this that we need to focus on. But in my view that issue of accountability is a major one out there and one I think we have a real responsibility to come to grips with.

The third issue I want to underline at the outset is, again, one you mentioned, Minister, and that is the question of governance. I suspect that if anything this issue will loom larger in the 1990s. You mentioned, and I think it's important to underline, some principles that ought to guide us in looking at this question of governance, and two in particular: the principle of confessionality and the principle of language. I think we have to be very straightforward with people that within our Constitution there are protections around confessionality and around language. As we deal with governance we have to make sure that those principles are respected.

By the same token, I don't think that means that we are then caught in a particular system. I don't have the answer. I don't think anybody has really worked out a complete answer to how we will deal with this, but there have been some tentative things happening in some cases, particularly examples of where boards have been working together. I'm thinking of transportation, which is perhaps the most obvious one and, after the issue of salaries and wages, the largest single item, and a number of suggestions around perhaps boards creating one transportation body. There is some question, for example, in terms of the purchase of goods and services. I believe it's in Essex where not only are the two boards working together but the community college is involved, and there is even some question as to the university, where together, they would form a body that would deal with that. I think anything we can do that brings the boards together on a voluntary basis is something we need to do, and any incentive to bring them together to do that.

We need, though, to be very clear that because of the funding problems and because of the number of different governing structures we do have to look at fundamental aspects of how the system is governed. Again, if we don't, there are, increasingly, people out there, I think, who are looking at us and saying, "Well, if you people won't do it, then in effect we'll move you out of the way and we'll find other ways of dealing with this issue." I would simply say again that if we can come to grips with this now—and I believe there is interest among all of the players in this—I think we can find some solutions.

The next issue that I wanted to note was in the area of francophone education and, in particular, to raise some concerns on two issues: first of all, the Cousineau report, which has been out for consultation and which, as the minister will recall, sets out a framework for school board governance for the francophone community. I have always thought, in dealing with this issue, that in a way—and I think we've all been guilty of this—it's had a bit of a misnomer, in that the proposal is not simply to create new French-language school boards or units but in effect it is a restructuring of school boards, because clearly if you go into the north and you talk about providing, on a regional basis, for a French-language school board, you're also talking about making changes to English-language governance. In terms of the separate system, any change on the francophone side would obviously have direct and real implications on the anglophone side, and I think those are questions that we need to think through very carefully.

The experience with Ottawa-Carleton has shown us some of the pitfalls in dealing with this issue, and I say that as somebody who was involved with what was then called Bill 109, which set up the school boards and, as parliamentary assistant, was involved with some of the funding issues there which are still with us. I think there is an obligation in terms of article 23 of the Constitution that we move to deal with that question and ensure, in effect, that francophones have control over the governance of their school programs.

The other issue that I think comes up under the question of francophone education today is just where we are going, Minister, with respect to the French-language public board in Ottawa. I know that you have had a lot of correspondence on this, as have those of us in opposition. I think we understand the reasons why the ministry moved when it did to place the board in trusteeship, but I think you would also agree that at this point in time, the longer that situation goes on, it is creating a variety of problems, some real perhaps and some imagined, but none the less there are real problems. I think it is important that we find a way to return that board to its duly elected trustees, at the same time protecting the problems around funding. But I sense in terms of talking with parents and teachers in that board that they have reached a point where they're just finding the governance is causing real problems and I think we have to find a way out of that as soon as possible.

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Behind and, I guess, over all this lies the issue of funding. We have all, Conservative, Liberal and New Democrat, been beaten over the head with this old saw around 60%. I guess if I were honest I would say I wish no one had ever used that figure of 60%, because when you go back to find out why the province should provide 60% of the funding of education you realize that this figure came from a particular year when there were caps on what could be spent so it took on a kind of magical resonance. I don't know whether the province ought to be spending 60% or 65% or 58.3% or what it might be, but we have all suffered, each political party, I think, from our continuing promises to say that it shall be 60%.

I think the fundamental question that has to be asked is, first of all, what is it we want that system, the elementary and secondary system, to do? What are the goals and objectives? What are the programs? What program is it that we want to be sure every child in this province, whether in Thunder Bay, Ottawa, Toronto or Mount Albert, will receive? What is that going to cost, and then how do we apportion that cost?

I for one would be very concerned if the local level, the school board, did not have some access to its own funding, in that I think the accountability of the board is dependent to a great extent on the fact that it does set a mill rate and has tax dollars collected.

Clearly, in terms of the property tax, the question right now is the level, because on a province-wide basis we're looking I guess at something in the order of 40% which comes from the province and 60% which comes from the local level. I appreciate that it varies greatly from one area to another, but we need to come to some determination, and probably it will mean having some level that will be funded out of that local tax base. I don't favour looking at opening up any part of the income tax system or other uses there; I think what we want to do is to say, if there is a role for the property tax in terms of local services, what the limit is. If we don't like the idea in any way, shape or form of having the property tax locally fund education, as I say, we have to find some mechanism, because when I look at what's happened in Quebec, I think it has lost a great deal in the accountability at the local level because of the centralization that has gone on in that system.

I know, Minister, you've told us that in terms of the educational financial reform you hope to have a paper to cabinet by early 1993 and implementation in September of 1993. I would issue a caution there that that leaves frankly not a great deal of time for consultation once that document comes from cabinet. I recognize that you're hoping that what will flow from the Fair Tax Commission, your own internal working group and your advisory group will meet with universal acclaim and support—would that politics were always like that—but I suspect that there will still be a pretty vigorous debate and I think it is awfully important we make sure that debate takes place—perhaps another reason to recreate the select committee, Mr Chair—but I think there are some very fundamental issues there where some people are now involved in that discussion but a much broader part of the population really won't be seized of it until that document comes forward in the fall and people have a sense of what's being proposed.

My final comment is on the question of destreaming and the support services and transfer payments that go with it. I've used destreaming as an example because I believe, and did at the time I was on the select committee, that as a concept it was important, and we recommended that grade 9 be destreamed.

In talking with teachers and trustees throughout this province, they have two major concerns: One is that there be appropriate resources available for the classroom teachers in implementing any destreaming initiative, and the second is that there be appropriate time provided for teacher in-service. What I hear from teachers and trustees

is, "Those resources are simply not there." The minister will be aware that in one school doing one of the pilot projects in Northumberland the teachers said, in effect, "Look, without that we cannot do this."

I know you've said you believe those resources are there. I think we risk seeing this initiative fail because of a lack of support from the ministry, which is caused by the 1% transfer payment. You just can't do all the things we're asking boards to do with that level of funding, and I think the kinds of steps that boards have had to take have had a negative impact on the quality of education in this province. We simply cannot ask boards to undertake tasks where the dollars don't flow.

Again, I quite admit that previous governments, including my own, have been guilty in that regard, but I think we recognize today that we're in a different situation. If the destreaming initiative and all the other program initiatives that go with it are to succeed, we've got to make sure they're properly resourced and that there is appropriate teacher in-service.

With those opening comments, Mr Chair, I will cease, and I look forward to the questioning next week.

**The Chair:** Thank you very much, Mr Beer. Perhaps now I might recognize Mrs Cunningham for her comments.

**Mrs Dianne Cunningham (London North):** It's a pleasure to be here in this environment with the minister. I wonder if he's going to be able to be with us next week, because it would change what I'm going to do now.

**The Chair:** Yes.

**Mrs Cunningham:** So that's on Tuesday?

**The Chair:** It's my understanding that we will reconvene next Tuesday and that the Chair has been advised there are some scheduling difficulties and we may not be sitting next Wednesday.

**Mrs Cunningham:** I see. So if I make some introductory comments today, there will be an opportunity to question the minister with regard to his remarks this afternoon?

**The Chair:** Yes. I believe we may be called to the House at around 5 o'clock, leaving you half an hour for your comments. Perhaps the minister might entertain a brief response when we begin next Tuesday and we proceed directly into questions to assist moving into the question period next Tuesday. In all probability we'll not sit on Wednesday.

**Mrs Cunningham:** Okay. Then I think what I'll do is to stay with my prepared remarks and speak. I'll leave your text today, Mr Minister, and ask you some specific questions later, although they'll probably relate to each other.

I think the minister is well aware, from our discussions and my questions in the Legislature, that I strongly believe Ontario must renew its commitment to basic education and skills training or risk losing ground in an increasingly competitive global market.

I know, perhaps because of my portfolios, which are obviously education, colleges and universities and skills training, that sometimes it may sound as if one is only



interested in one area of governance in Ontario. That's not so, but I happen to believe that young people are a priority and that the opportunities we enjoyed as we grew up in this province ought to be theirs.

I also think we have an extremely complicated environment in which to raise families these days. Many of us will have different opinions and attitudes as to why there seem to be so many challenges to young people, and certainly stresses on the quality of family life, which I think have greatly influenced many children's opportunities, as the minister would say himself, for equality. I think so many of our young people today aren't starting with the equal opportunity we had ourselves in a less complicated world.

It takes me back to the time I spent in Ann Arbor, Michigan, when I first became involved with early childhood education, after having gone through the Ontario school system and teachers college here, in what they called Operation Headstart, which was the idea that if you got children at an earlier age and exposed them to other children and to educational and social opportunities, they would make significant gains. I think some of the research done there over a decade proved that, but now I see the challenges we have as educators and as parents as being much greater than even—basically I hate to admit it—in the mid 1960s.

I think our young people are now looking to us for greater leadership than we've ever had to give before and schools are basically being asked to do the job of the family for many reasons, not just because of the lower socioeconomic groups that we're not supposed to label—but they exist and if we don't face it, then we'll never be able to solve the problem—but also because of the challenges families with normal resources face every day. I think there are many reasons for it.

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We also know that, at the same time we face these challenges within our own homes and within this province, our young people are going to be asked to be there for us in a very competitive global economy. At that same time, they're thinking about their lives. We're all facing the recessionary pressures and rapid technological change that forces us to consistently and constantly ask ourselves what we should be doing differently and how fast we can move.

I believe, Mr Minister, that as a nation we have shown leadership in Canada, in Ontario. I think we're going to have to do it again and we're going to have to pay more attention to increasing the skills levels we have forgotten. If one goes back to the Oxford dictionary, which I still use—maybe it's not as relevant in this global economy, but it's held many of us in great stead—education means knowledge and training. I think over the years—and I don't know where we got off not making training as important but I don't believe it is now. I believe some of the things we laughed at as being inappropriate in the old—I forget what we called it—home economics and those kinds of things we now call family life skills or whatever, they're still learning at a very early age; skills many of us should know about. We should be able to do them ourselves and we've forgotten that it's important.

We take it for granted that because teachers and people like ourselves have been blessed with either energy or ability, many young people get those opportunities in their own homes. I believe many of them just do not and it's a shame. In Ontario we have the opportunity now, if we do it right.

I know we're a democracy. We set up a government and an opposition, but I think this particular ministry is probably—maybe because of the people there. I think we have an opportunity to do things together that maybe others don't. We have an opportunity to unify and co-opt the business community, the unions, government agencies, certainly the educators from all three levels of education, and special interest groups, not because they're especially interested in themselves, but because they're especially interested in the people they represent and want to help.

Today we heard from the Ontario Head Injury Association. They were very upset about what they perceive to be a bureaucratic nightmare. We can deal with those kinds of people by getting defensive and telling them they're wrong, or we can listen to them and communicate and get them on side. I think every issue is exactly the same. We tend more to get defensive and it just doesn't work. Who loses? The families do, because with the lack of confidence that they have in us to begin with—and it's significant out there—by the time they're finished dealing with us they have even less, and then they give up. When parents give up, I think children give up.

I think all of these groups have to be encouraged to work with you, Mr Minister, in providing effective training programs in Ontario. I don't say this lightly. As a member of a school board in 1973 and a member of the old advisory vocational committee—at that time it was important enough to be regulated. It was part of the Education Act that school boards have advisory vocational committees and that members of the community went around and checked out the equipment we had. Yes, they became outdated because that's all they were asked to do. But it was important enough to make certain that young people were trained in vocational ways.

I think now more than ever we have to, in order to meet our own needs—I hope our needs are rather great because that means there will be many interesting things for young people to do and that more people will be working and more of our industry, especially our private sector operators and businesses and workforce, will be out there competing, not only across our own borders from province to province, but in North America, Central America and certainly the Middle East, Europe and the Far East. These are places the young people in our secondary schools have visited. Those of us who sit here on this committee can only go back to our own neighbourhoods and ask them what it's like, because many of us haven't.

I was speaking in a school in Dorchester a couple of weeks ago and I was encouraging a grade 10 class to get involved in the community and to get involved in its political life. I told them I wasn't a particularly wonderful example of somebody who had been involved in politics, because I'd never been able—and you'll appreciate this, Mr Minister, because it was such a surprise to you—to get

in government after all these years, but you just keep on trying.

**Mr Beer:** Hope springs eternal.

**Mrs Cunningham:** Hope springs eternal and maybe they'll vote for us next time, and all those things. Isn't that awful? I didn't stress that, but I was stressing the fact that you have to keep working towards things you believe in. I told them they would probably have wonderful opportunities and that some day, in a couple of years, I'd come back and ask them, when they were in grade 12, if they'd had an opportunity to travel. They said, "Why don't you ask us now?" So I did. These were 10th and 11th graders, and I have to tell you that far more than half the class put up their hands. They had travelled outside of Canada, as well as travelling inside Canada.

We have a very different group and they are people who are looking at us and saying, "You're not doing a very good job." The teaching community right now must be absolutely traumatized by the young people who sit out there in front of them not only wanting to do well themselves, but evaluating the quality of the programs they get and the teacher who stands in front of them. They are, I think, particularly disillusioned because of their raised expectations. We have to find a way of getting around that. But I know one thing: People who go into the teaching profession had better be prepared to work hard.

As we learn from many people who worked on the Premier's Council in the past—they released a report called *People and Skills in the New Global Economy*. It examined ways in which industry, educators, labour and government can work together to ensure that tomorrow's workforce is equipped with the skills they need to compete, to adapt and to enjoy meaningful working lives. I think that particular report is one we should be particularly proud of, because it's done the kind of research that was necessary, and we need to expand on it to convince us that we have to get on with it.

Many companies interviewed for the survey by the Premier's Council told us they were discouraged that our education system and the colleges are not able to respond to the specific training needs that have been clearly articulated through industrial training advisory boards throughout our province.

I have to add at this point in time that there is some criticism on the kinds of advice we have been getting with regard to our training needs through our industrial training advisory boards.

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But I have to say that in my experience—and I've tried to be hardworking in this regard and to speak to, I guess, some 20 of these industrial training advisory boards, and that's not even half of them, but it's at least an effort in different communities around this province—many of them have the small business community right up to the larger corporations telling them what they think their training needs are. The great concern that all of us have is that they change from year to year, so I think we should be expanding, Mr Minister, upon the advice that we're getting and where those training councils are working—and work-

ing, by the way, with school boards, we should in fact be asking them to stay there with us and not change them in some big bureaucratic way. You know about my criticism of the way the OTAB hearings have been going. It's not news, I know, to this government.

The strong advocates of increased training are also the business community. You will know better than I about this estimate of about 30% of students dropping out of school before completing grade 12. Many of them of course come back. That's a soft number, but it's one that the business community has chosen to hang on to and it's one that is used both by government officials and school boards as they describe their own work in this province. When we use it, it's with some caution, because I think that there are a lot of explanations that ought to go with that number. But the reality is that no matter how you look at it, too many of our young people are leaving school at the end of grade 10.

I can speak personally with regard to surveys we did in London when I was on that school board for some 15 years. We asked young people why they stayed in school and why they left school, and it was pretty basic. The ones who stayed in school basically did well and had high expectations for their own lives. The ones who left had a couple of criticisms. First of all, they weren't doing very well and didn't think they were getting the kind of help they needed, either from the school system or from within their own family and their peers. They underlined their peers as a tremendous influence on their lives, probably the number one influence on their lives in secondary school. We, as parents, don't like that. We really want to think we're first, but we're not. Peers are first, teachers are second and we're third. Research says that.

If peers are so important, they told us that the reason they did stay in school was the kinds of things they were able to accomplish socially. In a number of research projects in this province in the last decade it's been shown that schools that have strong extra-curricular programs—and not just sports and music but other programs that are geared towards the special needs of students. Therefore, camera clubs are as important as cooperative work clubs, which are as important as anything. The needs of each school are different. Where you've got a teaching staff who feel they're there not just to teach courses between 9 o'clock and 3 o'clock but to coach and support these special groups of students from early in the morning to late in the afternoon and on weekends, then we have to give those teachers credit, because there are many of them. Those are the schools where students stay in school. If I had to change anything right now, and I've talked to the minister about this, I would talk about changing curriculum so it's more relevant.

I learned that, Mr Minister, having had in our family an unfortunate circumstance of having a child who was injured in a car accident, who was a bright young fellow in grade 8 when it happened, who had great expectations of being an engineer or a teacher or whatever he may have been, and watching him as he went back to secondary school and being appreciative of the fact that he was able to be there with a tutor, whom we paid for because we



couldn't access the system but we were fortunate enough to be able to do that and that was our priority. I was therefore able to watch what he was able to do in classes that I hadn't really been exposed to as a parent before. These were special education classes at the secondary school system level. I don't want to be critical of that particular high school, because the courses were important to these students, but the social life in the school and the support of the other students was even more important.

In the long run, if they had had the opportunity to be trained as well as get their education and take the same courses—I think you're on the right track with regard to the books kids read. In those classes they read about gangs in subways where my other kids were reading *The Old Man and The Sea*, and I think they should all have read both books. If I had my choice, I would have emphasized *The Old Man and The Sea* and the value system that young people got from reading that book. I think you can learn Shakespeare, as I've learned with my own young fellow, with comic books in high school, and I think it was more important for the class to go to Stratford than it was to embarrass people who couldn't memorize things.

At the same time, I think it's extremely important. I think one half of the classes that he took should have been in the workplace, should have been in training and should have been away from the school, because other adults in our society are a great support to those kinds of young people. They have to be frustrated, because the curriculum isn't relevant and the teacher doesn't want to be there.

My tangent now will be teacher training. I went to teachers' college in the 1950s. I didn't like it then and I don't like it now. I think there are many other young people who consider it nothing less than a joke. What we're really doing is protecting the jobs of faculty members, although they try hard.

Ontario is so different in the way we train our teachers, and if physicians have to be interns, why shouldn't teachers be interns and learn by working alongside other teachers? That's the best training of all, and it probably ought to start in the second year of university, when they're mature enough to get out there, just like the rest of us were. We were no less good teachers because we started teaching school at age 18 and 19, if we were the right person for the job.

We have to change it. For young people to be turned away from teacher's college because they've got 75% or 80% is deplorable, especially when they're the young people who like to read to kids, like to coach teams and like children, and are particularly dedicated to spending long hours in school, because that's what it takes to do a good job.

Getting back to the frustration of the young people because of the content of their curriculum—that they don't think it's relevant, that is; and they tell us; they never used to tell us, but they do now—they just quit. The teachers are there because that's the class they had assigned to them because they'd already gotten their first choice, which was phys ed or English or whatever, and for their third option they'll do the special education class or whatever.

If one thinks that we're going to get rid of this kind of attitude because of the changes in streaming and destreaming, I don't think that's a fact; we're not. It's an attitude, and you don't change it by the way you set up schools or classes. Now the question becomes, how do we transform our current, outdated technical education shops—because we're getting into the real problems—to the high-tech education centres that will allow young people to acquire adaptable skills?

I think first of all we have to look to the private sector for its facilities and its dollars, and Mr Minister, I hope at the cabinet table you're not talking about a training tax, because that will just send more away at this point in time. I do think we're going to have to be tough with the business community, and I certainly have some ideas, if you're interested in that down the road. It would take far too long to talk about them now, but there are models in Europe and even in parts of the United States and certainly other parts of Canada where the business community is much more involved than it is here in Ontario. I don't think it's because they don't want to be; I think it's because we haven't set up the system that encourages them to be. If they're not gently encouraged, then we'll find a gentle way of getting them there.

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I have to say too at this point in time that I hope the labour groups and members of unions will be part of that. In my experience before I came here, where in my place of work I supervised young people who were in cooperative education programs, I have to tell you that this whole issue was on the negotiating, bargaining position every year. "Is that cooperative education student in the kitchen or that cooperative education student who's working with our maintenance department taking away the job of somebody else?" So it's not just business; it's labour as well.

If it's all right, I'd just like to talk about a couple of other things that are probably extremely important with regard to the dollars it takes to make all this happen. I think it's ironic right now that we're being asked to do so much more in education and yet, as part of the total budget of the province, the percentage has gone down. I think I'm correct in saying that in the last six or seven years it's gone down.

We're looking at historically low transfer payments of 1%, 2% and 2%. You made that announcement in January, Mr Minister. I support that direction to school boards, because I also have the problem of worrying about my children in their whole adult life paying off debt and heavy taxes as opposed to putting their efforts into being more optimistic about the future of our province and our country. Because when we're in debt, we're not in debt to ourselves; we're often in debt to other nations. We borrow money from them federally and we therefore owe them. I think we don't want to be in a position in this country and in this province of doing that to a greater extent than we have in the past, and yet the projections are somewhat worse for our young people. So you had to do this. That means we all have to take less in the way of remuneration.

Mr Minister, the best settlements I've seen in the last couple of months have been 1%, and I'm happy to say the

London board was part of that. But even that 1%, as you and I have discussed in the past, means, in real dollars, probably about 2.5%. So that means the local taxpayers are having to spend even more than in the past to support the education of their young people. Those are property taxpayers. They are young people who are trying to get into the housing market and they are older people and people who have chosen not to have families or who don't have young families. Therefore, out there in the real world, education is taking the knocks attitudinally, because they think they are spending money and not getting very much in return.

For that reason, this year I'm glad you are in the government, Mr Minister.

**The Chair:** You won't have that in your householder, will you, Mrs Cunningham?

**Mrs Cunningham:** No, I won't. Mr Jackson and I sometimes agree on things, and neither of us has that in our householder. But I think most people here understand my sense of humour. It's hard enough to be in opposition these days. I still have to stand up there on a stage and say, "But I'm not the minister."

Anyway, we're all in this together and we have to solve the problem, and I think one has to put solutions to you. I'm afraid if I had been in your shoes I would not have been worried about winning a popularity contest down the road. Wage controls are something I simply would have done because I'm not happy about the school boards that haven't been able, for whatever reason—and I've been there at the negotiating table for many years and I know how difficult it is. I was there when we faced wage and price controls in the late 1970s—1978, I think. Am I right about that? I stand to be corrected, but we certainly only had a certain amount of money and that was that and we did it.

I think you're going to have to take a stronger stand in that regard. If you don't, we will see some of the programs that we fought long for—and many of us remember the discussions around Bill 84 in the late 1970s when some school boards didn't think special students needed special programs, and therefore didn't provide them. In fact, many of the students we now have in our school system weren't there a decade ago. They didn't have a school to go to because school boards didn't allow them to go to school, or they made it so impossible, with hour-long bus trips, that they couldn't go to school.

So I'm being pretty strong on this one. The teachers certainly know how I feel. In that regard maybe I'll never be in government, but I think it's my responsibility to take the kind of stand I think is necessary to make things work. I think you've done that yourselves, but we have cut staff, and the staff that's cut is outside the collective agreements. If class size has been negotiated, then that's what school boards have to administer. Therefore we've watched our resource teachers and our special education teachers and special programs disappear, and I think if we could ask the teachers to open their collective agreements, they might even agree to take another child in the class and increase class size by a little bit. I don't know.

At the same time, we talk about mandating junior kindergarten and destreaming. Both of those take a lot of resources, and I hope the minister will be providing the funding from the province if he insists on moving in that direction. I am very unhappy about the mandating of junior kindergarten because I don't believe the school boards are the people who are best qualified to do the education of young people in these times. I think they're qualified, but I think there's a much better way of doing it, and my greatest disappointment with regard to this ministry—I will speak also about the Liberal ministry—is that we haven't had a good public discussion around junior kindergarten or early childhood education. We simply have not.

We've had good public discussion, to a point, with the Liberals with regard to child care. The public discussion around child care in schools with this government has been absolutely negligent. We just haven't talked about it, and the child care discussion we have had was not a discussion but an opportunity for the minister to give her own views on what she thought ought to happen and for the government to push a policy where I think you're spending millions of dollars and not creating one new space. My colleague the Chairman of this committee has done a very good job in letting you know how many parents and taxpayers feel about that.

I'm going to wind down now. There are many more things to say, but I think I'll do it in the form of questions later on. I certainly want you to know that I welcome the opportunity to discuss your hopes and your expectations and your plans as you've presented them today during the estimates process, and you know—I think I can even speak for Mr Beer—that we hope in our position as critics to be constructive in our criticism and, hopefully, able to say some day that we helped you come around to some of the things we all believe in with regard to the provision of education in Ontario.

Thank you for this opportunity, Mr Chairman.

**The Chair:** Thank you, Mrs Cunningham. I appreciate the tone of all three presentations the committee's been treated to this afternoon. It's always appreciated by the Chair. We have not as yet been called to the House for a vote, and we anticipate that occurring, so with the committee's permission, I'm going to give the minister whatever time the House will permit us in order to make some brief responses to those opening comments.

1700

**Hon Mr Silipo:** First of all, I found the responses this afternoon—in fact, the time this afternoon I would categorize as being refreshing. While certainly there isn't agreement among all of us about what we should be doing in education, I think it's clear from the things the three of us have said that there is a significant amount of overlap, not just in how we look at the problems but I would even go as far as saying in terms of how we should be addressing some of those problems. Clearly we know there are some areas in which we have disagreements, and we'll have an opportunity to get into some of those.

I would just say in response that I note, as I think has been said, there are really some very clear expectations out



there by the public of us, of the school system, that have probably never been as clear as I think they are in these days: people expecting that our schools do a better job than they are doing.

I guess one of the fascinating things for me as minister is to keep finding that balance between telling all of those people who work in our system, telling our teachers, telling the people who administer the system, that I really sincerely believe we have one of the best school systems in the world. At the same time, that isn't inconsistent with also identifying and putting out very clearly some areas that require some significant change.

It's because I strongly believe in both of those approaches and I believe in the sincerity with which I say that that I find it quite easy to rationalize going forward and talking about some of the changes we need. I think the issue of accountability that Mr Beer talked about is clearly one, therefore, as I've indicated in my comments and I think as Mrs Cunningham also mentioned, that will require a great deal of attention from us.

As we look at how these things shape out we know—again, as I think we've all touched on in various ways—that we are going to have to discuss the question of governance in one form or another and what that means in terms of the role of the ministry, the role of school boards, indeed the role of schools. But that has to be looked at from the perspective not of “turf” but of having clearly laid out expectations and objectives for our school systems, which I think need to be clear, whether they apply to schools in Toronto or to schools in the smallest of communities of the province, and at the same time allow for a high degree of involvement by teachers in the shaping of those directions and allow certainly a great degree of involvement by parents in working with teachers and shaping their expectations for the schools and for their children, and that indeed allow young people as they grow to take on more and more of those responsibilities themselves in terms of participating in the life of the school, in the decision-making process of the school. For me, those are all things that are part and parcel of some of the ideas and processes of change that I think we need to be dealing with.

We have, I know, major concerns with respect to the funding situation, ones that I obviously, as members of this committee know, have been very vocal about before coming to this place. I remain as committed today as I was then to the need for change, and the infamous 60%—it's a good question Mr Beer posed: What's the magic about 60%?

**The Chair:** The teachers will give us a straight answer, no doubt in the world about that.

**Hon Mr Silipo:** The teachers will give us a straight answer. I think we all know what the magic is.

**Mr Beer:** I can even add that it's more magical in opposition than in government.

**The Chair:** Mystical.

and more of our young people, while they're going through high school, to the gamut of jobs and professions

that exist out there. That is something we need to continue to build upon much more in a serious way.

I guess the last couple of comments I'd like to make are about how we bring about some of these changes. I suppose it would have been more straightforward for us to deal with the question of the difficulties the 1% and 2% transfer payments would have caused, and have caused, by legislating wage controls. Indeed, as people around this table know, more than one school board has asked me to do that.

I think our resistance to doing that goes beyond simply the unpopularity of something like that. I suspect that in some ways it would actually have been not so much of an unpopular move in terms of feeding into—if that's what we were interested in doing—the mood that's out there among the general population. But our unwillingness to do that stems from, first of all, a real belief that at the local level, that sense of partnership and of collaboration that we are saying needs to exist has to be shown and has to be exercised even in the difficult times we are living in. Therefore, the collective bargaining process is the place where school boards and teachers' federations, in this case, need to be looking for some of those answers.

I have been equally critical of boards that have chosen the easy way out, simply cutting programs as a way to deal with the issue, as I have of teachers' federations and other groups which have not seen fit to make their expectations more realistic with the kinds of realities we are living in.

But I don't think you resolve those issues by imposing legislation and curtailing that process. I think you do it by continuing to hammer away at the need for people to be working together at those issues and trying to find solutions.

I think that in the end we can be, and I suspect we will be, directive in some of the things we will do. We will be, in terms of setting expectations and setting out some clear goals and objectives for the system. But we will also have to continue to leave a fair amount of flexibility locally to encourage the kind of working together that we want to see among our teachers and between teachers and parents and others in the school system to bring about some of the changes we're interested in.

I think I'll stop there, Mr Chair. As I said, I look forward to the exchange that will follow next week and in subsequent days.

**Mr Beer:** Mr Chair, one point the minister made was the fact that he spent the morning in the classroom and the afternoon at the tailor shop. We might wish to bring forward some orders prior to reconvening and see how sartorially resplendent the minister might make us around this table.

**The Chair:** I was going to ask what he did with his evenings, but I think that's an open-ended question.

If Hansard and the committee will bear with me, I have a series of understandings. It was my understanding that the minister's assistant would check with the House leader to give us some sense of whether or not we are holding up the business of the House or if the business of the House is being legitimately delayed. I haven't seen the individual I talked to about that leave the room to check on it. Perhaps if I can be advised, but I'm reluctant, as the Chair, to

adjourn this meeting if we're not in fact going to be called to the House. As the Chair I have a responsibility to make the point.

Can someone from the government side please talk to this committee?

**Mr Gilles Bisson (Cochrane South):** Excuse me, Mr Chair. I was consulting with the people on the sidelines. You were saying?

**The Chair:** What can you share with us?

**Mr Bisson:** I missed the preamble to what you said. Sorry.

**The Chair:** Do you have any information about whether or not—

**Mr Bisson:** My understanding is that we're shortly to be on to bills that will deal with the Ministry of Education. It might be a good idea to adjourn at this point. That would be my recommendation.

**The Chair:** That wasn't presented as a motion. I'll repeat myself for Mr Bisson's benefit.

**Mr Bisson:** Very good. I will make a motion—

**The Chair:** I had made arrangements with a staff member to check directly with the House leaders to deter-

mine it, and I am still waiting for someone from the government side to advise me, but I am not anxious to adjourn the committee if for some reason the debate currently going on in the House, which does not require our attendance, may go on for another half-hour or so. I made that abundantly clear. If I have not received any information, I'm going to call a two-minute adjournment until I can get an answer directly myself.

The committee recessed at 1713.

1724

**The Chair:** This standing committee on estimates has reconvened. Mr Beer wanted to make a comment first, please. No? Then, fine, Mr Bisson.

**Mr Bisson:** I make a motion that the committee adjourn until its next meeting time, which will be next Tuesday after routine proceedings.

**The Chair:** That's a non-debatable motion. All those in favour? Opposed, if any? Motion carried. This committee stands adjourned until Tuesday, July 7, immediately following routine proceedings.

The committee adjourned at 1725.



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#### **Substitutions / Membres remplaçants:**

- \*Beer, Charles (York North/-Nord L) for Mr Ramsay
- \*Cunningham, Dianne (London North/-Nord PC) for Mrs Marland
- \*Martin, Tony (Sault Ste Marie ND) for Mr Ferguson

\*In attendance / présents

**Clerk: Greffier:** Carrozza, Franco



# Legislative Assembly of Ontario

Second session, 35th Parliament

# Assemblée législative de l'Ontario

Deuxième session, 35<sup>e</sup> législature

## Official Report of Debates (Hansard)

Tuesday 7 July 1992

## Journal des débats (Hansard)

Mardi 7 juillet 1992

**Standing committee on  
estimates**

Ministry of Education

**Comité permanent des budgets  
des dépenses**

Ministère de l'Éducation



Chair: Cameron Jackson  
Clerk: Franco Carrozza

Président : Cameron Jackson  
Greffier : Franco Carrozza





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# LEGISLATIVE ASSEMBLY OF ONTARIO

## STANDING COMMITTEE ON ESTIMATES

Tuesday 7 July 1992

The committee met at 1543 in committee room 2.

### MINISTRY OF EDUCATION

**The Chair (Mr Cameron Jackson):** I'd like to call to order the standing committee on estimates and welcome back the Minister of Education, as we have eight hours and 27 minutes remaining to complete the estimates of the Ministry of Education. Welcome, Minister. When we adjourned last, you were just completing your summary comments. Then we will ask the committee how it wishes to order up its discussion on the estimates and the votes.

**Hon Tony Silipo (Minister of Education):** In an effort to just also assist the process of the committee's work, I think I can dispense with any further comments in response. Looking over the notes, I think I touched briefly on the things I wanted to say in response to the statements by Mr Beer and Mrs Cunningham. No doubt the questions that will follow will give me ample opportunity to delve into those issues and others in some more detail.

**The Chair:** I thank the minister. Some of those opening statements were framed as questions. I know your staff have been present in order to receive them. It is helpful and customary in the course of the estimates that if your staff have written responses to the questions, they notify our clerk when they are available so that they can be distributed during the estimates hearings. They are always very helpful. And/or, Minister, you may wish to call upon the staff to come forward and make specific presentations.

In that regard I would advise the critics that, should you have any written questions that are helpful to the minister and his staff, please table them as quickly as possible. In the process of a large ministry such as Education, if there are specific program areas you wish to examine, notice to the minister through the Chair is helpful so he or his deputy can ensure they are here to respond directly. We certainly aren't getting all the ADMs and senior staff from the ministry participating, but if you have some you specifically wish to discuss, the minister has agreed to make every effort to see they are present.

Any questions about that? If not, what is left for us to decide at this point is how we wish to proceed with the estimates of Education. We have three votes and I'm in the committee's hand if they wish to discuss that for a moment.

**Mr Charles Beer (York North):** Thank you, Mr Chair. I'm going to phrase this as a question in terms of how we might proceed. One thought was, looking at our timetable, whether we would like to have a period—and Mrs Cunningham may want to reflect on this as well—where we might just ask some general questions of the minister based on his statement and our own and then go on and do the line-by-line.

As I say, I'm open to what other members feel. Sometimes the line-by-line is a bit contrived in terms of what

can be discussed under what heading. We might be able to set a certain period of time where we could just do some general questioning on the various programs and policies this afternoon and then move to the specific vote items focusing, of course, on those next week when we complete our hearings. I just throw that out for reflection by others on the government side and by Mrs Cunningham.

**The Chair:** The committee is speechless.

**Mr Larry O'Connor (Durham-York):** I find that quite often in this committee we get into the general line of questioning, as Mr Beer has talked about, before we get into the line-by-line. It then allows the critics to take a look at different policy areas without going through it line by line.

Certainly, for a committee member, a backbencher from the government, I find it quite interesting to watch that. It also allows me, as a backbencher, an opportunity to ask the minister some questions and sometimes—I try not to embarrass them. I ask some questions my constituents pose to me. For a government member, I find that having questions come in the way Charles Beer has talked about—my colleague the member for York North—is quite useful.

**Mrs Dianne Cunningham (London North):** I think Charles made the point of the line-by-line problems, because we've done it that way before, so I'd rather move into different categories if that would be appropriate. I certainly have some of my questions ready, but I'm happy to go along with whatever the committee wants in this regard, Mr Chairman.

**The Chair:** I'm getting a sense that you'd like to ask questions. What I don't know is if you'd like to do that in time-allocated rotation. Second, you'd like to stack the votes until the end of the exercise, which the Chair is quite comfortable with.

**Mr Beer:** Stack them.

**Mr Gilles Bisson (Cochrane South):** Do you want a motion to that effect?

**The Chair:** I think we're dealing with consensus at this point. That's really the only guidance I would—

**Mr Bisson:** Just a point of clarification, Mr Chair: What you're saying is that we'll do that under time allocation. Each caucus will get an equal amount of time to do that.

**The Chair:** If they so choose. The other is that the Chair will coordinate and ensure everybody gets an equal run at it, but some people may wish to bring forward a theme such as special ed and in the process of special ed it is raised three separate times over three different days under that method. What Mr Beer was, I believe, suggesting is that it is possible to deal with subject areas without tying them to a vote and that possibly everybody would have an opportunity to participate in a discussion, say, on special



education and integration and legislation. We have done estimates where we haven't been strictly time allocated, but it's been allowed for more meaningful discussion in subject areas. Those are really the only two ways of doing it, and I'm in your hands.

1550

**Mr Bisson:** I agree with what the Chair was saying initially, that we go under time allocation but that we leave questioning up to the individual asking the questions. If I want to ask one question in a particular policy field and the second in a totally separate policy field, I should have the ability to do so rather than be constricted to just one policy field.

**The Chair:** Okay. If you want to jump around, you have every right to do that.

**Mr Beer:** I think that's fine. We'll go by your judgement of an equal amount of time, and leave it to your judgement how a minute here or there sorts itself out.

**The Chair:** Very good. If that's the case, Mr Beer, and if you're prepared to proceed, we'll begin with you.

**Mr Beer:** Fine. Thank you.

**Mr Bisson:** Just before we get started, how many minutes each? I didn't catch it.

**The Chair:** The Chair's going to work that out as we proceed.

**Mr Bisson:** As a committee member, I'd like to know how much time so that we have an idea of how long we have.

**The Chair:** Okay. Well, I thought you just gave me the authority to make sure it's fair. Do you want me to start everything and then we get a bell and then I have to make up the time and it's all on the record?

**Mr Bisson:** It's to get a sense of how much time per turn. That's all I want to know at this point.

**The Chair:** Okay. What I normally do is I come to you and advise you of that without taking up a lot of time with clock reading. But if you'll give us a moment, we'll work out an equitable three-way split in the time remaining, provided we don't have a vote and provided we're not called to the House. So just give us a moment, Mr Bisson, if you're uncomfortable.

**Mr Bisson:** Yes, no problem.

**The Chair:** Approximately 43 minutes.

**Mr Bisson:** Thank you.

**The Chair:** You've just used up three of yours. Proceed, Mr Beer.

**Mr Bisson:** I see the Chair is very accommodating today.

**Mr Beer:** Is it possible for me to speak for some of that 43 and then let Mrs Cunningham go and then come back for a few or do you want me to do it all?

**The Chair:** That was what my hope was, but I sense Mr Bisson's having real difficulty with the clock today.

**Mr Bisson:** On a point of clarification: I, as a committee member, am entitled to know how much time we have allocated to each caucus. If any caucus wants to take 20 minutes or five minutes at one shot and go on to the other

one, that's fine, but as a committee member, I am entitled, and I don't need sarcasm from the Chair, quite frankly.

**The Chair:** Frankly you're not listening to this committee because that—

**Mr Bisson:** Frankly you don't listen.

**The Chair:** Mr Bisson, if you want to challenge the Chair, you have the right to.

**Mr Bisson:** No, I am not challenging the Chair.

**The Chair:** My ruling was that this would not be time allocation-specific, that the Chair was entrusted with the responsibility of ensuring there was equitable time. We're not on specific time allocation. That was the decision of the Chair, and you didn't hear that. I'd ask you to check Hansard before you jump to those conclusions. That was the direction I got from Mr Beer. I asked if there was any objection. We'll proceed on that basis. I set out three different options for the committee, and we have proceeded under all three of those in the two years I've been active as Chair.

**Mr Bisson:** Mr Beer just left.

**The Chair:** Matters of absence are not an issue for the record of this committee.

**Hon Mr Silipo:** I think Mrs Cunningham's going to start.

**Mrs Cunningham:** First of all, can we have an update on the people in the ministry from somebody? The first page says "Organization Chart," and I know there have been a couple of changes. Not everybody, Mr Minister, but maybe there are a couple we ought to know about.

**Hon Mr Silipo:** The chart that's referred to is dated April 1, 1992, so it is actually outdated. We can make an attempt to put together an up-to-date chart and make that available to the committee. I can give a very brief overview of what we have presently and then perhaps we can provide some more details, either now or at a later point.

Mr Wally Beevor is on secondment to the North York Board of Education for a two-year period. He's part of an exchange with another official who's come into the ministry, but that official is working in one of the other departments, not at the assistant deputy minister level. In the meantime, what we have done is divide up the various responsibilities that reported to that assistant deputy minister position between Carola Lane and Mark Larratt-Smith, in large, although I think some of these positions may have been distributed to other assistant deputy ministers.

Of course, we have also made the decision to add an assistant deputy minister position since that time as well for anti-racism and ethnocultural equity. That's another piece that will need to be added to the chart. The division that assistant deputy minister will be heading is still in the process of being put together in terms of the various pieces that will fit, but it will certainly include some pieces from curriculum as well as some of the other areas. As I say, that's something we are still in the process of sorting out now.

The end result is that we anticipate there will still be the five assistant deputy minister positions that there are presently on the chart.

**Mrs Cunningham:** Could we move, unless someone would rather we not move so quickly—I'm looking at page 9. With regard to the salaries and wages budget, the estimates, have you got a number on how many people are employed or how many members of your staff there would be for that kind of money? I'm looking at the \$22.5 million.

**Hon Mr Silipo:** I don't have that at my fingertips. I don't know if we have that information readily available. I'm sure we have it in the ministry. Is that something we can answer now or do we need to come back with it?

**Mrs Cunningham:** It's fine if you just want to take these questions under advisement. I guess I'm hoping you're going to tell me that the 1992-93 estimates will have a staff of fewer people than the 1991-92. Do these interim actuals still stand, or are they actuals now, the \$22.2 million for the 1991-92 year? Is that it as of March 31? I understand this must have been printed the first of April. Do we have actuals yet?

**The Chair:** Could you please come to the front microphone and identify yourself? It would be helpful to Hansard.

**Mrs Carol Lawson:** Carol Lawson; I work in the financial services branch. The interim actuals are very close to the final ones. It was taken off our final report. There could be some slight modifications when we do our reconciliations.

**Mrs Cunningham:** So for the purpose of our estimates now, we'll just assume we've got pretty close to the actuals. If that's not so, then I can be advised? Therefore, I don't want to make any assumption, but I'd like to know how the staff is changed.

The other question I'd like to ask is, how can we find out the breakdown of these employees with regard to who is working in the offices here in Queen's Park, the minister's offices, and who is working in regional offices? There must have been some kind of picture put together to get the \$22 million. Would this be regional office budget plus the central office here at Queen's Park? Is that all that goes into that, or what is it that makes up the salaries and wages?

1600

**Hon Mr Silipo:** I believe it's both, and I think we can get you the breakdown of those, the central ministry and the regional offices.

**Mrs Cunningham:** Is there anything more that makes up that number?

**Mrs Lawson:** In ministry administration it's primarily the people in the Mowat Block area. The regional office staff are located under liaison and review activity, which is under vote 2 in the estimates.

**Mrs Cunningham:** What about any of the subactivities on the adjoining page, which is page 8? Is that all part of the main office work?

**Mrs Lawson:** Yes.

**Mrs Cunningham:** I saw some agencies. I guess it was earlier, but it had the employee relations commission and the French-language commission. I can't remember what page I saw that on. It should have been before page 9.

**Mrs Lawson:** The agencies are located on page 36. They're in the liaison and review activity.

**Mrs Cunningham:** And is that part of this \$22 million?

**Mrs Lawson:** No.

**Mrs Cunningham:** It's over and above?

**Mrs Lawson:** Yes.

**Mrs Cunningham:** Where do I find that?

**Mrs Lawson:** On page 33. In that activity it includes branches such as our learning assessment branch, the agencies, boards and commissions, regional offices—

**Mrs Cunningham:** That's what I was wondering. So we can add to salaries and wages another \$18 million there?

**Mrs Lawson:** Yes.

**Mrs Cunningham:** Could I have the same kind of breakdown for that, if that would be appropriate? My assumption as I take a look at the regional offices—are there then two budgets for regional offices? Is there one with regard to liaison and review activity and one with regard to program ministry administration? Is that how the regional office budgets work, part of them on page 9 and another part on page 33?

**Mrs Lawson:** On page 8, basically in main office you have the ADM's office, which is the ADM of regional services, the old ADM learning programs office, minister's office, deputy minister's office. Only the ADM's portion of regional services division is located in program ministry admin.

**Mrs Cunningham:** I guess I'm really trying to find out what the budget is for the six regional offices and the other different agencies; you may not call them agencies, but there are eight on page 32. I know some of those budgets, but they may already be broken down in here and I couldn't find them separate.

**Mrs Lawson:** No, they're shown at the activity level. The budgets aren't broken down in the book itself, but we can provide that information.

**Mrs Cunningham:** That's what I need a clarification of in order to take a look at any changes. It won't be any good for me just to have the 1992-93; I'll need the actuals as well. I just wanted to start out with the bigger picture here, Mr Beer, so if you would like to go back to the beginning, that's fine by me.

**Mr Beer:** It's always good to get the bigger picture.

One question emerges directly out of what Mrs Cunningham was just asking about. I can recall going to a Christmas party with the Planning and Implementation Commission that everyone thought was the last Christmas party it would ever have. I was just curious. It is one of the most interesting commissions under any government. Just a brief question; I don't need a long answer. I'm just curious about what they are still doing. I'm sure they're doing good things.

**Hon Mr Silipo:** They are still doing some good things. They're not doing a lot of work, but what they are doing is good. In fact we are putting that commission through a sunset review to determine whether it needs to continue.

**Mr Beer:** On the whole reform of financing, there is a series of structures in place looking at it: the Fair Tax Commission, your internal review, the advisory committee



or advisory group and then I guess, to a certain extent, the disentanglement exercise, which is not directly under your purview. You've touched on some of this in your opening remarks, Minister, but I'd like to be a little more specific on what in particular in terms of educational financing the tax commission is doing, the internal group and then the advisory committee. I believe what you said the other day was that by the fall there will be a paper and that it is your hope that at the beginning of 1993 there would be proposals ready to go, or at least become public. Can you describe what is going on within each of those, how they link and where the public input will come in terms of boards and others between now and January 1993?

**Hon Mr Silipo:** I'm glad to have the chance to talk a little about this. First of all, I can deal with the part that I think is easier. You're right, Mr Beer, in identifying all the various groups that have touched in some way on this, but the one piece that touches the least is the disentanglement process.

I sit as one of six ministers representing the government on that body with six municipal councillors. We've made it very clear in that process that that process will not discuss education financing in any way, because if it were to discuss education financing, then the representation that we feel should be there isn't there. We've been very clear about that and there's been agreement on the municipal side on that.

Now, there may be things that come out of that process that obviously have an impact on school boards, and if and when that arises, we also have an understanding that we will obviously want and need to discuss those issues with the education community. We will deal with those issues as they arise, but to this point we don't foresee any problems developing.

The main issue in terms of the reform process is one in which we share that responsibility between the ministry and the property tax working group of the Fair Tax Commission. Essentially, as we've divided up the work, the Fair Tax Commission, through the property tax working group, is looking essentially at the issue of how funds are raised for education, how funds should be raised, looking therefore at that part of the puzzle. We will be looking primarily through the advisory council and the process we will be deriving from the ministry at the other side of that equation, which is how money is distributed to school boards and therefore looking at all the issues around the costs of educating students.

**Mr Beer:** May I just stop you there? I really want to make sure I understand the flow here. The property tax working group is looking at what the sources for funding are; your advisory council is going to be looking at how we disburse dollars, how we organize their expenditure among boards or whatever. Is there any joint overlap of appointment there?

**Hon Mr Silipo:** I don't believe there are in terms of the trustees or—I'm trying to think of the OTF representation. I don't think so, in terms of people who sit.

Interjection.

**Hon Mr Silipo:** There are staff members; not in terms of the actual representatives on the advisory council, but obviously the associations are involved in the property tax working group. I should also say that that is basically how the process has started and is proceeding. But because of the time lines we're working on, we also anticipate having for our consideration, and inevitably for some discussion within the advisory council, the results of the work being done by the property tax working group. We expect they will be issuing a report in September, I believe. That's obviously something we will have available to us, as will it be available publicly, because that's what they will be doing, I gather, issuing that publicly, as the other working groups of the Fair Tax Commission have done. Then we will inevitably talk within the advisory council about that issue of how money is raised as well as how money should be distributed.

You mentioned something, Mr Beer, about a paper being out in the fall. I hope I haven't said anything to mislead you or anybody else in that respect. What I'm anticipating will happen is that we will have recommendations to take to cabinet in early 1993 for the beginning of implementation, we hope, in September 1993.

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**Mr Beer:** But the Fair Tax Commission will have a paper out on property tax.

**Hon Mr Silipo:** That's right.

**Mr Beer:** Okay. I was confused.

**Hon Mr Silipo:** I believe in September or some time thereafter.

Whether we do anything in terms of putting out anything publicly before then is something we haven't yet discussed at the advisory council. I should just say with respect to the advisory council that we've had one meeting. We have a second meeting this Friday. The sense as a result of the first meeting, I think, was fairly good all around in terms of grappling with some of the issues. Just to remind people, that group is made up of representatives from the various trustee associations as well as representation from the Ontario Teachers' Federation and the support staff unions.

**Mr Beer:** So in January it would be your intention to take proposals to cabinet with a view to having those implemented for the next fiscal year? Is there any particular sense of that? I'm just trying to see what's driving that date.

**Hon Mr Silipo:** My hope would be to look at what we could do with respect to the 1993 year, realizing that because of the time lines we may not be able to do a great deal in that first year in terms of implementation, but I would like to do what we can to start some of the changes.

We also are now talking about—and this is an issue we'll be discussing with the advisory council as well—looking at the issue of the change in the fiscal year of school boards. I've given out very clear indications, in response to requests that I've heard throughout the province, that this is something we should be looking at seriously in terms of changing. We are looking now to determine the viability of making that change happen beginning in September 1993. That's a possibility as well in terms of their beginning to link it also to some of the changes in the financing structures.

**Mr Beer:** Is any consideration being given to some public discussion of the proposals that would emerge? If I understand what you've said, the property tax working group would come out with some sort of a document in the fall to which Education may or may not respond. Obviously the proposals going to cabinet would, at least in the first instance, be confidential, unless there were lots of plain brown wrappers around. Then, if you were trying to get something into the budgetary process, that doesn't leave a great deal of time. Clearly, when we're talking about what I suspect will be fairly fundamental change, that's going to be important and I just wonder how you are considering handling that.

**Hon Mr Silipo:** We haven't come to any conclusions on that, but I think we will have to look at what we do. Obviously there will be lots of discussion, just because of the structure of the council. We will have an opportunity to hear and involve people from the various trustee associations and others directly in those discussions.

In terms of any kind of broader public discussion, that's something we haven't, again, made any decisions on, but I think it's something that inevitably we will have to address through the advisory council. I expect that people there would want to be able to take some ideas and proposals back and at least have some kind of public discussions with people. Obviously, beyond the trustee associations, there is an interest that you and others would have and that the public in general would have. I think that's part of what we are going to have to try to grapple with as we look at this over the summer in the meetings we have scheduled with the advisory council.

**Mr Beer:** Without putting words in your mouth, is it fair to say that in this exercise you are quite prepared to look at a totally different way of funding the system? Have you set out some parameters, some guidelines, beyond which you've indicated you wouldn't want to go? For example, are you looking at, or would you look at, a system that might not entail the use of the property tax for educational funding? I just want to get a sense of it.

**Hon Mr Silipo:** I have very purposely not ruled out any possibilities, I think, particularly on the question of how education dollars should be raised, because I'm really going to be interested in seeing what the property tax working group comes up with. I gather they are looking at a whole range of possibilities and options. I think it's useful for us to sort of let them lead off on that piece and see what they can come up with.

Clearly what I would say is that whatever systems we put in place in terms of how we raise money for education, I would hope they would have much more relevance to people's ability to pay than the property tax system does now or the present system does now. I think that would be one key consideration I would certainly encourage the government to look at and consider in any changes.

With respect to the issue of how the grant system or anything else that might replace it should be set up, I think there are a number of issues we need to address there, part of which, again, comes back to a number of issues around the relative responsibilities of the ministry and school

boards and some issues around how you best calculate, sort of, the basic costs of educating a child throughout the province and how you then make some allowances for the various needs that exist in the different parts of the province, whether or not you do that through the change in the grant system.

Obviously the present grant system has been an attempt to try to deal with various pieces of it by adding to what began as an initial system. Then other pieces got added on as new issues emerged and concerns were expressed about funding.

One of the things we also have to do is try to return to some sense of simplicity around the system in terms of people being able to look at the funding scheme and understand how it works and what it does. I think that's no small task. As I said, I can look at each one of the lines in the grant formula and understand why it's there, but certainly one of the things people out there need is a greater sense of understanding and simplicity about how this whole system works. So that will be something.

The other thing I would say, despite all the things I say and continue to say and believe in around the kinds of things school boards can do to diminish some costs and look at the question of duplication of services, is that I also think we need to take note of the fact that a vast majority of boards are spending more than the per-pupil grant ceilings we provide. That tells us something in terms of the ministry formulas not having kept up over the years with the reality of what it costs to educate students out there. That's something we have to be prepared to grapple with as well.

**Mr Beer:** I have one further question on this, and then if others want to jump in on this particular topic, please feel free to do so.

Are you also going to deal with the level of provincial versus local funding and try to establish some kind of clear benchmark? I think we noted the other day how at different times all three parties have faced the problem of the proverbial 60%, but is there a view you have that one can establish some kind of percentage, or do you see something that is more of a floating ratio?

1620

**Hon Mr Silipo:** I think we could have a percentage, or at least a target, on a province-wide basis that we should work towards. I think I've said on numerous occasions that I still believe in the 60% notion. We talked last time about what that meant, but I think we know, despite the peculiarities of that figure, that what it essentially means is that, first, there should be a greater percentage of the cost of education paid for provincially, through provincial coffers, and second, there has to be some greater sense of equity around how that's done.

Again I don't have any answers to offer at this point, nor do I believe we can reach that magical figure in a one- or two-year period—I want to be very clear about that as well—but I think what we can do is set an objective and a bit of a game plan, a bit of a process in motion, that shows people how we can get there.

Within that there will have to be some redefinition of what we are talking about when we talk about the kinds of responsibilities we ought to have for funding education at



the provincial level, and what ingredients that means we should be paying for, what things we believe, as a ministry and a government, are important for all school boards to be offering, and therefore where there is more of an onus on us to provide funding for those programs, and to allow some sense of local, not optionality, but at least flexibility in terms of some additional areas that reflect particular needs in any given community of the province, and again some flexibility at the local level for dealing with the funding of those issues as well.

**Mrs Cunningham:** On the same topic, I'm surprised to hear this 60% number. I'm proud to sit here and say I never use it. I think what you have to do in education is take a look at what you think should be happening in the school systems and talk about what education ought to be doing. We certainly know that it's a larger proportion of the programs in Ontario than we've ever seen before. We're obviously doing a lot of programs in social services and health and that's growing. It's been happening since the 1970s, as I like to remind the minister, given all our backgrounds here.

But if we're honestly looking at a new way of funding education and we're taking a look at the present property tax system and other systems, we probably shouldn't have any criteria. We should be looking clearly at what we can do instead. It's nice to say the province ought to be paying more. I think the bigger question on behalf of school boards is probably: "Don't ask us to do things we don't want to do. Maybe ask us what we think we could do in the community better than is being done by other ministries." That might be a good question. I could certainly help you out on that one.

Getting on to this discussion Mr Beer started, one of the great questions, the ongoing question we get when we're out there—and I'm sure you have it, Mr Minister—is this question about the school year, the fiscal year. I'm wondering if there's been any serious discussion in the ministry with regard to that within the last six months.

**Hon Mr Silipo:** Yes, there's been some very serious discussion. In fact we are looking at some proposals on that now, I can tell you. It's one of the things we will be discussing with the advisory council. It's something I haven't heard anybody put an argument to as to why it shouldn't happen—the change that is. It's a question at this point, in my view, not so much of whether we're going to do it but a question of how best to do it and when best to do it, and so we're looking at a couple of options with respect to that. In some ways the most logical one is trying to tie it in to September 1993, if we're able to get some of the changes in place in the financing structure for it to be effective then as well.

**Mrs Cunningham:** I guess the question that would follow would be, are we going to wait until we have strong recommendations or a new policy with regard to the change in the funding of education with regard to the Fair Tax Commission's recommendations, or are we at least going to move on that sector for 1993? I assume the other is going to take a long period of time even if we have a

plan we want to follow. To implement something like that would be a major change.

**Hon Mr Silipo:** Again I'm very frank with you in saying that as I sit here, my preference is to try to do it sooner rather than later. But there are some concerns that have been expressed to me about why it might make more sense to look at it as part of the finance reform and therefore not to separate it out and do it earlier. I guess part of the consideration we have to give is around the legislation that would be required to do that, but again I'm anticipating that this is not a major issue in terms of things we would have to do.

The other issue is that of course the primary reason people have given for our wanting to make the change and why people have urged us to make the change in the fiscal year has been the ability for school boards to know and to plan ahead. The idea would certainly be that if we change the fiscal year, we would still announce the grants in the spring that would become effective in September, so the boards would have that lead time, knowing what they were going into in funding as opposed to the situation that exists now.

In the present context that's less of an issue, given that we have given a three-year announcement in terms of the funding. In that context, I think what we would have to do, if we didn't proceed with the fiscal year change for next year, is to indicate fairly early what the funding level would be for next year. Essentially the issue we'd have to do there is to just simply tell people how the 2% would be spread out. I can tell you, without sort of being 100% committed to this, that my sense around it is that we ought to make as few changes as possible in this interim period until we get the rest of the changes put together on the finance front. That would be my inclination at this point.

The issue of the fiscal year may not be as crucial an issue to have to resolve now, although as I said, I am still of the mindset that it's probably just as well to resolve it and get it done.

**Mrs Cunningham:** I guess the last question, if we're on the subject of finance here, is that we all know the large portion both of local board budgets, and obviously budgets in the agencies and in the minister's office, is salary. I was shocked to hear, I think it was this morning or yesterday, that the city of Toronto is not able to collect taxes; people just can't pay their taxes. That's certainly going to make a difference. They're talking about meeting their payroll, so you can imagine what school boards are up against.

Regardless, on three-year projections I think nobody would have guessed we'd be in this situation where the city of Toronto is going to be borrowing; I think the number was like \$60 million but I may be wrong. If school boards are going to find themselves not getting transfer payments even from their local municipal governments, we really have a serious problem not unlike the Toronto Symphony. People took cuts in pay so that people could retain their jobs. If we're going to look at moving from a property tax to a personal income tax—which may or may not be part of the discussion; I'm not close to it—obviously we want people working or nobody's going to pay for education.

I guess my question is: This is a people budget, and we know the best settlements are coming in at 2.5%, meaning a 1% settlement costing 2.5%; boards are getting 1%. I was the one who listened to others talk about moving more towards the province paying more money, so what kinds of plans have you got with this kind of scenario?

1630

**Hon Mr Silipo:** We know there are some boards in the province having problems, particularly as a result of the loss of property tax dollars they would have traditionally been able to rely on. We are trying to get a better handle on to just what extent that's a problem. We know there are a couple of places in the province where that's caused some severe problems and we've made some provisions to assist there, but the broader issue, I guess, is one that we think needs to continue to be addressed between school boards and the respective teachers' federations and unions, which is why we put as much emphasis as we did, in the transition fund criteria, around that issue.

At the end the summer we will have received the initial proposals from school boards, but they're really only an initial indication of the kinds of things they are looking at, although some have already fleshed them out in some detail. We will be looking, towards the end of the summer, as people submit the final proposals, to what we can do with respect to that \$50 million that's still to be allocated.

That will hopefully be of some assistance to some boards, but again in terms of the issue itself, the erosion of property tax dollars, I don't know that we have a full picture at this point of just how seriously that might affect all school boards throughout the province.

**Mrs Cunningham:** Just in conclusion, I think the minister knows how I feel about the transition fund. I've certainly mentioned it on a couple of occasions. It's a very small amount of money and I think a lot of energy is going into getting what little bits and pieces individual boards are able to get.

As a matter of fact, one of my great criticisms of the whole system, as we're trying to streamline it and make it more efficient, is that I'm not in favour of these little pockets. I'd rather see people put their time into teaching kids in the front line than scurrying about trying to find a couple of hundred thousand dollars or \$500,000 on budgets that probably exceed a couple of hundred million dollars. I don't know; I'm not in favour of that but the minister knows my views.

I think that's just one little bit that this government feels can be helpful, but I'm just putting the ministry officials on guard to know that—I mean, all of us here represent the public. We have a very big challenge ahead of us and we are definitely going to need the support of the teachers to solve our problems. There's no doubt in my mind. If we don't get it, we're looking to you, Mr Minister, for that kind of example. It's that serious.

I thought that was underlined this morning and I have to commend the chair of the finance committee at the city of Toronto for the interview he did this morning, because he was warning all of us that we have seen nothing yet. It's pretty scary, but I hope that our children's education isn't

being jeopardized and that we aren't going to be looking at people losing jobs out there in the school systems, because that's what's going to happen if people don't cooperate to a greater extent around remuneration. It's as simple as that.

On that happy note, Mr Bisson is waiting to ask questions. I'd sure appreciate his point of view in this regard.

**The Chair:** And he'll continue to wait, because I'm going to recognize Mr Martin.

**Mrs Cunningham:** Pulling rank, eh, Tony?

**Mr Tony Martin (Sault Ste Marie):** That's right. Is that a rank thing to do?

I wanted to actually follow up a bit on some of the comments of Mrs Cunningham, because I think certainly if there's an area of concern, it's this one. I've been close to the Ministry of Education now for just about two years. For a number of reasons, primarily because of the difficult financial situation the province finds itself in, there are a whole lot of things we wanted to do that we couldn't do, and yet in spite of that there are some things we did do.

I would like to say, contrary perhaps to your feeling, that any amount of money, even \$50 million, is a lot of money in my mind, and used creatively can relieve some pressure. I know the two school boards in my area are working very diligently to find ways to use that money to assist the learner in the classroom. If we can save one position or in some way enhance the program in the schools of my community, certainly that's good news as far as I'm concerned. We're actually looking forward to some announcement in the not-too-distant future around just where the money is going. I think it was a good move in light of some difficult decisions you had to make, a sign of good leadership in difficult times, to be able to make those kinds of decisions and to invite people in to participate.

I guess it's that point I want to focus on a little bit. I think any of us who have been involved in the process of trying to govern from either side of the table understand that there are no magic answers, that there's nobody with all the answers. Even if we had tons of money, there would still be things that needed to be done re the education system in Ontario.

The Fair Tax Commission that's going on will, I think, be revealing. It's certainly an opportunity for us as a government to have a really good look at the bigger picture. Within the Ministry of Education the refinancing council that you've established, Mr Minister, and that I sit on, holds out some great possibility for partnership and the possibility of change through partnership to the system that will allow us to do better than which we want to do—maybe not, now in these difficult times, with the kind of resources we were used to getting over the years by way of increase.

That may enhance the system in ways that, had we not had this difficult challenge in front of us, it perhaps would not have done. There's always a silver lining to every dark cloud and I keep looking for it. Certainly, in this instance in the Ministry of Education, perhaps the difficult financial situation we find ourselves in is forcing us to look at some things we might not otherwise have looked at.



Maybe you could comment further for us on your hopes for the refinancing council that's happening now, and talk a little bit about the makeup and where you see it heading.

**Hon Mr Silipo:** I guess I'd start by saying that despite the despair that's out there and despite the fact we are living through some very difficult times, I do see some real opportunity, out of that despair, to change things in significant ways. Obviously one of them, and one that's been a real thorn historically, as Mr Beer was saying earlier, which all governments have tried to deal with, has been the financing of education.

I believe that is something we not only should do something about but can do something about. Even if we are not able to resolve all those problems over the short term, we can lay out a course of action that, if followed, will get us to some serious changes in the way our schools are financed above and beyond any of the issues we need to look at as far as rationalizing in a better way how our education dollars are spent is concerned, and in looking at all sorts of ways in which school boards can and should cooperate more with each other in areas of expenditure, which again is something we've been putting an emphasis on.

We'll continue to look at ways in which we can be encouraging—I hope not having to mandate but encouraging—that kind of behaviour to happen. Within that, the overall sense that we need to be looking, provincially, at taking on a greater share of the responsibility for financing education throughout the province is something that I believe in as fervently today as I did when I was a school trustee.

1640

If I can come back to something I think Mrs Cunningham said earlier, one of the basic issues from the school boards' perspective is not wanting to be told by the ministry or the minister what they should do, I think part of what gets us and gets any government into trouble around issues like that is when we do that within a context that has the local property tax base paying for 60% of the cost of education. If you want to look at it in a shareholder kind of corporate view, you've got the minority shareholder in terms of funding dictating to the majority shareholders what should be happening in education. That's not the only reason why the change should happen, but it's one of the reasons.

I think it's quite appropriate that there is, and in fact needs to continue to be, some very clear direction given through the Ministry of Education to school boards and schools about the kind of education system we want to see developed in the province, and within that the sense that there is that responsibility at the provincial level for setting that direction while continuing to respect the role that's played at the local level by school boards, and indeed at the local school level by parents, teachers and students, in the whole decision-making process. Part of that legitimacy comes from having the province take on the majority of expenditure and revenues with respect to education. I think that is one of the reasons why that change has to happen.

The process we have in place, as you know, and I think I've talked a little about that as well, is such that I think it will involve the key players in working with us directly, as

we have in the advisory council, in supporting and advising us in terms of how we should be proceeding. We have of course a small group of officials at the ministry who form the secretariat that's providing the staff support to that council and pulling in also people from the school boards who have some expertise in some of those areas.

**Mr Martin:** Again, it's good for me as part of the government to see that you, as Minister of Education, have not been paralysed by what I think is an awesome responsibility, given the recessionary situation we're in, but in fact have been reflecting on some of the realities Mrs Cunningham referred to re the city of Toronto and its difficulties.

In spite of those difficulties, you have been able to put a mark on education in your short tenure that also reflects some of what attracts me to government as a member of the New Democratic Party in Ontario. Some of those are certainly issues of justice and trying to meet the needs of some of the minority groups in our province. You might want to expand for us ever so briefly on some of the initiatives that you've brought forth re native education and perhaps the anti-racism bill that has been introduced.

**Hon Mr Silipo:** I talked a bit in my opening comments about some of the things we're doing with respect to native education. What I didn't touch on that I would like to is some of the process and discussions we have under way. We know there are a number of concerns that leaders of the various native groups have brought to our attention, which range from the whole question of trustee representation on school boards to the kinds of programs taking place in school boards and the kind of relationship that exists between bands and school boards throughout the province.

We have a process, which my predecessor had set up actually, of meetings between the minister and the leaders of the various native organizations throughout the province. Out of that some further discussions have taken place which I hope not only will result in some changes and some improvements to the quality of education for native students but also will look at the issue of how we can be improving the relationship even between the ministry school boards on the one hand and the native peoples on the other.

There are a number of things we continue to do in the meantime but we try to frame those within the context of these discussions needing to continue on a government-to-government basis through the statement of political relationships that we've established. In the meantime we are looking at a number of things we can do to improve the quality of programming, not just in the classroom as we have done with a number of initiatives but also in terms of some of the things that support that improvement of quality: for example, the group homes and other kinds of initiatives that we've done in association with other ministries in various parts of the province where we are assisting with some of the native students who have to travel to various parts of the province even to get high school education. There are some things we can do that have been helpful in that respect.

With respect to anti-racism, again I'm delighted to be able to pursue that issue with the kind of vigour that we are trying to show, because I think it's at the heart of some of the equity considerations we keep talking about as are the

initiatives with respect to native education. I think that through the establishment of the new assistant deputy minister position and the division that person will head, we will try to pull together some very concerted efforts which will be backed up by the legislation obviously—and I'm happy to see there's cooperation by the three parties in getting that through the House, hopefully very soon—and then looking at that division as being the place where we begin to provide some real assistance to school boards in our expectation that they develop policies with respect to anti-racism and ethnocultural equity issues.

I would like to see us use this issue as one of the ways in which we, through example, show the kinds of changes in the relationship between ministry and school boards that can happen and can bring about some real improvements, because, to go back to some of the concerns that were expressed earlier about the ministry making decisions about things that school boards should do and then providing little or no funds or inadequate funds to carry those through, one of the things I'd like to see is how we can be, through the ministry, providing much greater assistance to school boards as they develop those policies and as they then begin to implement those policies.

We know that throughout the province there are already school boards that have done a great deal of work in this area, and one of the things I would like to see us do a great deal more of within the ministry is to start to pull together some of those initiatives and to try to provide some coordination through the ministry in terms of sharing some of those experiences and expertise that exists in various parts of the province. I think that's a role that we perhaps have not played up as much as we can within the ministry. That's certainly something I want us to do.

The other is that I look at the whole question of anti-racism and ethnocultural equity very much in a kind of a global way. I would like to see us tackle this issue both through the ministry and at the local school board level in that way. There is in my view not only no inconsistency, but a very logical sequence that goes from anti-racism, which is taking a very strong position and a very strong advocacy role against racism throughout the school system in this case, as we should do throughout society, right through to all the issues that affect culture, race and language. In fact I would like to see us try to pull some of those approaches and initiatives together, because I think it's in that spirit that we can be doing a lot of the integration that I think is crucial to the kind of education that our young people deserve.

1650

**The Chair:** Mr Bisson.

**Mr Bisson:** Thank you very much, Mr Minister.

**The Chair:** I'm just the Chairman, but please proceed.

**Mr Bisson:** I just wanted to follow up a little bit on what our colleagues here were talking about in regard to the situation of the boards having to find ways of working, maybe like they never have before, in utilizing their resources, and that's the people within their boards, and trying to find ways of becoming more effective.

Before getting into my question, I have a document here that would be of interest. It's one of the local boards in my riding in Timmins that has put together an employee-employer restructuring plan basically bringing together all the people from the various unions. They had been grouped into what I guess we'd call sort of a central committee of some type to take a look at ways and means by which it can achieve savings in order to operate their boards more effectively.

I know last year—actually earlier this year, some time in February or March I would imagine—the board went through that initial process and found some \$680,000 worth of savings it was able to accrue to the board through that process. Now what they've done is sat down and really started to look at some of the projects they're able to do to try to bring the cost down in order to minimize the losses in regard to where some of the issues may be that Mrs Cunningham talked about, or others.

Just to give you an idea of some of the things they're talking about, then the question—because I'm obviously going to have a question in regard to money after—some of the things they're talking about are pretty interesting. Some of this is in French and some of it's in English, so you'll have to bear with me. I'll bounce from one to the other. The recommendations, I would just note, are signed by members of the board, including people who worked there from the various unions etc.

One of the things they talked about was, for example, they want to look at ways they can find ways of making the workplace a lot safer and hence saving money on Workers' Compensation Board and lost time. Like any other place, that is a concern, so they're looking at what kinds of things they can do cooperatively in order to get employees to understand better the work practices so they can have savings along that end—not really a cost item, but something they can save in the long run.

There was another one here that I thought was of interest. En français, it was: «Programme de formation en informatique afin d'assurer l'acquisition des connaissances en matière d'opération». What they're basically saying here is that they presently have a computer system within the board that sometimes not everybody's familiar with and because of that they're losing a lot of time in being able to access information. One of the things they want to do is better train the staff there in order to be able to access that information a little bit better, and also to do some networking so they're able to share a lot better through the electronic medium some of the information.

They have another one here. I'll just read it in French first and translate it. Oh yes, one of the things they're looking at, for example, is trying to do something around their pension issues in regard to some of the older workers being able to retire a little bit earlier, having some sort of bridge to get over so the younger workers are able to stay on if it ever comes down to that.

They talked about here, for example, one suggestion that came from the maintenance department, of moving over to a more energy-efficient system of lighting and heating within some of their schools. They've got some numbers here attached to that. Just in the cost of hydro in



one year, if this was to work, they're quoting here about \$248,000, obviously an investment on their part, and this is where the question comes.

In those questions, because it's a transitional issue, what kind of leeway does the ministry have in order to assist some of these projects, because some of them actually will cost money. You'd have to spend a couple of dollars and invest to be able to get to the point of doing any kind of savings. In applications such as this, where clearly there's been a demonstrated effort on the part of both the board and the people working within the board itself to find ways of saving, what kind of leeway does the ministry really have to assist some of these programs financially in regard to transitional funding?

**Hon Mr Silipo:** Mr Bisson, from the document you were referring to, it sounds to me like it's an application to the transition fund.

**Mr Bisson:** Yes.

**Hon Mr Silipo:** Okay. From the descriptions you've given, there certainly are some interesting ideas the school board has put together that obviously we will look at in terms of whether we can provide funding for some of those initiatives through the transition funds. My sense from some of the things you referred to would be that they seem to fit some of the criteria we've established.

The question of transition is obviously—I mean, that's a one-time fund, so that's clearly the case, unless issues are raised in some of these submissions—and I expect there will be; there may even be in some of the points you've raised—that there are some things we ought to be looking at in terms of not necessarily ongoing funding but changes to what we fund and don't fund from the ministry and whether there are implications that way. Obviously if we pick up on any of those, we will want to pursue them as part of the education finance reform process. But specifically on the initiatives, we will certainly look at those as part of the transition fund criteria and hopefully be able to make some decisions once the deadline of September 30 is passed.

**Mr Bisson:** On that line, generally from what I've seen with boards in the riding, some boards are able to deal with the transition a lot easier than others because of the history within the board, the players and a number of other reasons. Other than the money end of the support, what kinds of things can the ministry or the government overall do to assist those boards really trying to find ways of working more cooperatively with the people there? Because in some places it's very difficult. I won't get into names, but you get some places where it's difficult because there's been a history, I would say, of non-cooperation on a number of issues.

At times the boards and the workers would come to me as a member—I'm sure you've had the same thing in other ridings—and say that what we need is some sort of group or something that can work with these groups to get them off the ground, organize them and give them the assistance they need to work together. Quite frankly, in some cases that hasn't been done. People have suggested that type of stuff should be legislated, but I don't know if we want to get into that.

**Hon Mr Silipo:** I was just checking to see if I remembered correctly, but I think that even within the transition funds we've actually made provision for some of that help to be provided if we have the sense it will help. We've been leery about not putting a lot of money out of the transition funds into hiring people to help school boards, teachers' federations or other employee groups talk to each other; they ought to be able to do that without having a third party in there. But we're quite happy to work with any board or indeed any federation or union that says it's having some difficulties around those issues. We have people in the regional offices who can be of assistance in some cases. Depending on the nature of the issue, we can also look at whether there is some assistance through the broader public sector labour relations secretariat.

The other thing is that we have staged our application process. The submission you were reading from would have come to us already in the ministry before June 30. One of the things we'll be looking at between June 30 and the end of the summer is an analysis of the indications we will have received from school boards around the kinds of issues they have put forward, where they are saying they would put proposals and would need some assistance on. In looking at that, I think we can see what additional work we need to do to assist people even over the summer and before September 30 around that issue. That's something we'll be interested in doing.

**Mr Bisson:** Another issue, somewhat unrelated but one I would be remiss in not raising, is the question of deaf education. As you know, two members on this committee chaired deaf education committees. There are two issues really, and I guess there's a bit of uncertainty within the community. The first issue is the whole question of the recognition of American sign language and langue des signes québécois, very much sought after by the people within the deaf community. I know there was some discussion earlier about trying to get that done in terms of putting the necessary legislation in place. Can you give some indication as to what's happening there? Is that something we're fairly close to doing?

Obviously the second part of that—it's probably really a question for Colleges and Universities—is the whole question of the funding to put together the necessary training programs for the LSQ and the ASL interpreters. I am just wondering if you can give any indication on that.

1700

**Hon Mr Silipo:** Actually, on both of those issues I'll be looking forward to the recommendations and the assistance of the committees you and Mr Martin are involved in. On the training aspect, it's clear to me that's an issue we need to be pursuing with the faculties in a fairly aggressive way. It would be my intent to do that as part of some other discussions we also need to have with them around training with respect to visible minorities, for example, and the whole issue of teacher education, which I think is a major issue for us to tackle and part of the program reform initiative.

It is sort of the last and in some ways most significant chunk that has to be addressed, not just in terms of the kinds of ongoing professional development activities we

provide our teachers but also some of the basic training we provide in the beginning within that context, looking at how to better meet the needs of the various constituencies and people throughout the province, knowing that students who are deaf are one key group of people that right now do not have all of those support services in place, because among other things all the training facilities aren't there to the extent they should be.

With respect more specifically to the recognition of ASL and LSQ, I think we've given an indication of our intent to pursue that and proceed in that direction. I think it's a question of how we best do that at this point and how we look at the role, on the one hand, the provincial schools can play in that process vis-à-vis the kinds of services we should be encouraging to be provided through local neighbourhood schools and where we draw that line. Again, that's an issue on which I'll be getting the advice of the two committees we have.

**Mr Bisson:** I want to underline something. It's somewhat related to that, but falls in the area of literacy. A number of programs in the province, some funded by your ministry, some funded by other ministries, deal with the whole question of adult education and of literacy and numeracy training. Having been involved in that particular area for a number of years as a coordinator for a literacy program in northeastern Ontario, sometimes I get the impression—and maybe the impression is wrong and maybe you can clarify it if I'm coming at this the other way—that if we're really going to make an impact over the long term on the question of really dealing with the question of literacy, there needs to be more of a concerted effort to have a policy that fits the two or three different models out there when we do the training.

What I'm getting at is that in some cases we deliver literacy training through the community-based groups, which fill a need nobody else is able to fill and do it quite well. On the other hand, you have other groups offering literacy within the workplace, something that was actually started under the previous government and had quite an impact on the whole movement. Part of the difficulty I saw when I was involved is that because there's not any one ministry that really is responsible for the overall situation—Colleges and Universities, Skills Development, maybe OTAB and the Ministry of Education and the Ministry of Community and Social Services, are responsible for funding various sections under that—sometimes you think there is a bit of a lack of direction or a very clear policy of how to deal with the whole question.

If I'm a literacy trainer working in a community group and somebody contacts me and says, "I want to do some one-on-one because I'm very embarrassed"—whatever the situation is—"to deal with this out in the open," he has that option, but when he is ready to make the transition and says, "I want to go into a group setting," or "I want to go into a workplace setting," whatever it might be, the left hand should know what the right hand's doing.

It's not really a question about funding, because I think the dollars are being put there that need to be put there, to a large extent. It's more a question of overall policy. Maybe you can comment on that very quickly.

**Hon Mr Silipo:** It's a fascinating issue you raise, because it's one of at least two or three good examples one could give of areas where we have a lot of interest and involvement by various ministries, as you've identified, and one in which, as I preach to school boards and others about the need for addressing duplication of services locally, I keep thinking about—

**Mr Bisson:** I was trying to be polite.

**Hon Mr Silipo:** —in terms of some things we need to do here back at the ranch about some of those issues. We have an interministerial committee now looking at this which is headed by one of our assistant deputy ministers, Carola Lane, and looking at a number of these issues.

One of the things we are trying to do through that group is both to develop a longer-term vision or statement of direction that will hopefully assist us with respect to a much closer liaison, if not a complete integration, of the delivery of these services between various ministries, and in the short term to also look at a couple of examples of things, real programs that are being run, and try to look at how we can take those and show how they could be better rationalized in terms of, if nothing else, the way in which people out there have to deal with the government and not necessarily have to run around to four different ministries. That's a big challenge.

I have to confess that we've been looking primarily at areas that involve more our ministry with the ministries of Community and Social Services and Health. But literacy and adult education is an issue that also is on the burner as one that needs to continue to be looked at. Obviously there's another chunk of this that comes into it beyond the ministries you've mentioned, which is the OTAB piece and where that line gets drawn as well. That's also something we're looking at.

**Mr Bisson:** Just a comment you don't need to respond to: We get into a lot of problems in the field, because what happens is that you may have a really good community group somewhere—let's say in London—developing fantastic material I would be able to utilize in another setting, but because there isn't a relationship between how the funding is actually funnelled through and the reporting mechanisms within the ministry, you don't find out about these things, so I go out and reinvent the wheel a second or a third time, not knowing that something else has been done. We could really make an impact if we were to go that way. It's much the same in a lot of other areas.

I take it that Mr Ferguson had some questions.

**The Chair:** I'd like to recognize Mr Beer next and put Mr Ferguson on the list. The Vice-Chair's job isn't open, Mr Bisson, at the moment.

**Mr Beer:** There are a great number of issues that we want to explore and get into. Obviously we're limited by the time, but I'd like to ask if we could get one thing in terms of information on the school boards and financing. Is there a list of those boards in deficit situations? Could we have that list of those having that problem provided to the committee?

**Hon Mr Silipo:** Yes, we have some lists. I know we have some information, and we'll put that together.



**Mr Beer:** Thank you. I'd like to turn to the question of accountability and particularly the question of evaluation, of testing, assessment; however we want to describe it. If there is an issue, particularly over the last couple of years, that comes up increasingly in communities from parents, it is parents who are wrestling with trying to understand how the system evaluates them. I'm not getting into whether it's the teachers' fault, the trustees' fault, the government's fault, the opposition's fault; it's simply that there is a problem here.

What I would like to know, Minister, is this: Could you tell us a bit more about what you would hope to achieve with the program the Council of Ministers of Education is pursuing right now? In addition, what specific other things are you doing—and I guess I already see this around one of the principles you set out in your opening remarks around excellence—in working with boards to try to ensure that we have an ability to evaluate outcomes and in effect to know these are our goals and that we can play back? Are we reaching those goals? If we aren't, what sorts of things do we need to do? That would be the second part.

The third one, and in some ways perhaps the most important, is how then do we communicate that to parents? I think all of us have had experiences where we have been given forms that have been brought home which supposedly are telling the parents how well their child is doing and where some of it is quite difficult to decipher. I'm being kind in terms of some of the things I've seen. I think we ignore that problem at our peril. One only has to look at the *Globe and Mail* articles every Friday on the back page in terms of the questioning that is going on of the system, looking at the approach to maths and sciences. Most recently there is the discussion going on in British Columbia, where I gather a number of the teachers are saying to the government, "No, we don't want to shift the way in which we're both teaching and evaluating."

I'd like to hear from you, Minister, just what it is that we're going to learn from the council of ministers, what other initiatives you're taking and how you're trying to recognize that problem at the local level of the parents who are trying to have a sense of just how well their child is doing.

1710

**Hon Mr Silipo:** First of all, while I was happy to see that we managed to get agreement through the Council of Ministers of Education on the changes that we wanted to the national indicators, which allowed us to then agree to participate, as important an initiative as that is, I don't think that in and of itself is going to fix all the problems we have—nor, I believe, does anybody else. I think it will give us a useful indication of some things we're doing well and things we may not be doing as well in the province.

But I think what is important with the indicators is the way in which we will be going about measuring student achievement, which is not by going back to a standardized testing format, but by looking at a combination of evaluation tools that will tell us, both through some of the traditional testing and through observation by teachers of student work, the kinds of things that students are doing, and sized up against the provincial curriculum.

I think we need to come back to that basic premise as we look at the question of accountability to have some clear sense, first of all, about what it is that our schools should be teaching our young people. We should not be afraid to try to distil some of those things into some clear objectives and some clear statements, which I think could go as far as saying, "Here are the kinds of things we believe a young person at the end of grade 3, at the end of grade 6, at the end of grade 8, at the end of high school, should be able to have mastered." I think we can do that in a much clearer fashion than we've done so far, and I think that part of the Benchmarks process we've got under way is an attempt to get us there.

Having done that—first of all, the process of doing that is obviously cumbersome, much more cumbersome than I would prefer it to be, but I think we could all appreciate that in order to get the kind of buy-in that we need from teachers and parents and others, we need to be doing it in a kind of slower fashion than some of us would like. We none the less need to be quite clear in terms of saying, "Here are the kinds of objectives that we have, here are the kinds of expectations that we have and here are some indications of what a child at various stages of his or her school life should be able to achieve in the traditional basics of reading, writing and arithmetic," and also in defining and redefining some of those basics in terms of some of the other skills I think we can take as basic skills that students will need in this day and age, things like the ability to get information and analyse information and to deal with some of those thinking skills.

I think we therefore need to put more and more of a focus—and as I say, the Benchmarks process is one of the ways in which we are trying to do that. The kinds of statements we try to pull together out of the program reform initiatives will also be another way in which we will try to do that, that is, to set out very clearly some of the directions and some of the objectives we think our schools should deliver on and then also try to look at how we can communicate that to parents, not just through the ministry but through local school boards.

I think that's going to involve school boards looking—again, I know from my own background that boards continue to grapple with this in terms of a simple, yet not simplistic, way of telling parents how well or how not so well their children are doing in school. It has to be something we continue to drive hard at, because one of the things I'm unhappy about as I see the discussion that has evolved around teaching methodologies over the years, the argument about the back to the basics approach on the one hand with the sort of more open or more holistic kind of approach on the other hand, is I think what people have lost track of in this discussion, that the objectives haven't changed and they shouldn't have changed.

If they have changed, then we're really in trouble. The objectives of the kinds of things we want our young people to acquire and the kinds of skills we want them to acquire through school haven't changed. There may be some argument and some debate going on about how best to do that. That's what this whole discussion around teaching methodologies is about. But I think there has been perhaps an

unfortunate kind of equating of some of the more recent teaching methodologies with a sort of abandonment, or perception about an abandonment, of standards or objectives, which I don't buy. I think we can have some very clear standards and objectives set out for our school system and still not have to resort to a very rigid kind of teaching methodology to deliver it.

The question is how we ensure we're quite clear with people that this is the case, not just with parents and the general public but also with the people who are called upon to deliver that in the end, our teachers. I think some of those things have got a little fudged over the last number of years. There's a responsibility on us to try to focus a little bit on that and say we, as a ministry, believe there should be some clear standards and expectations set out for our schools. Then we do the work we need to do to support our teachers in being able to deliver on that.

**Mr Beer:** I have an article here in front of me, and one could pick up an article from any given week. One of the big issues is around teaching reading and this wonderful term, "whole language," which I think some of us discover once our kids start going to school, versus phonics. Indeed, should it be versus anything but a rather more holistic approach? I think one of the problems, if I can use that as the example—and we can talk about maths and sciences in a similar context—is the ability of parents to understand what the standards are and how the young people are evaluated.

Are you suggesting that you would see perhaps the evolution then of a kind of clear provincial statement—I don't mean simply of goals and objectives—with more detail, so that whether I live in Thunder Bay or Ottawa or Toronto or wherever, as my child moves and as we move, as a parent I'm going to be able to have a better sense of just how well that child is doing? I think, quite frankly, that where I find the greatest frustration in talking with parents is that most of the time parents come either because they think their child should be challenged more or because they feel there's some learning problem and they can't seem to get through the system. Are you looking at ultimately then setting out a document that would set those out in a much clearer fashion?

**Hon Mr Silipo:** Yes, and again, I have to say I'm not sure at this point about how far along that continuum we can go. But I would like to challenge us in the ministry and push us to go as far along as we can, because I think the bottom line from the provincial end remains that we should be setting those expectations, objectives and standards. It doesn't matter if a young person is being educated in Toronto or Thunder Bay or Moosonee, a young person in grade 3, to pick an example, should be able to achieve, generally speaking, the same kinds of levels, and that's something over which I don't think there should be any hesitation in us stating what those should be on a province-wide basis.

1720

Then again, I think part of the process of implementing or the process of education within that still can leave and should leave a lot of flexibility in the teachers' hands in

terms of the particular methodologies that are used. One of the things I think we also know is that not every child learns in the same way and by the use of the same kind of approach, that a particular approach, to go back to the example of whole language with respect to reading, is something I would say that I find to be very sensible and that I think works well, if done well.

But I also know that there certainly are instances where in fact, for some students, that isn't necessarily the most appropriate way. I think a good teacher with the ability to sort of move and try different kinds of teaching techniques is really in the best position to determine what kind of approach makes most sense for the group of students he or she is dealing with and I think there has to be some flexibility around that. What I think we have to be firmer on are the objectives we want to be reached in every classroom. I think there is an onus on us to be a little bit blunter about that.

**Mr Beer:** Mr Chair, I'll let someone else ask a question. I'd just make the final observation that I think there is going to be a need somehow to allow a greater part of the public to participate in that debate. I think that's where some of the frustration lies.

**Mrs Cunningham:** Not only in that debate, but in the debate on early childhood education, and I underline it.

I'd like to go back to a couple of issues that were discussed before that I would certainly put on the agenda, if others hadn't. I'm going to ask the minister a fairly direct question. It has to do with racism in our schools. The reason I ask is that I was, I think, somewhat heavily involved in developing a policy in London, probably six or seven years ago now, before we were in the interests of prevention, before we saw some real problems in our classrooms.

But the reason we worked so hard on that, it was an issue that was brought to us as a concern by our teachers and a sensitive one that many parents weren't aware of the potential of. Now we find ourselves looking at a report that I actually looked at last evening again. I'm wondering if you in fact agree with the author of the most recent report when he talks about racism in our schools by teachers.

**Hon Mr Silipo:** I'm not sure which report you're referring to.

**Mrs Cunningham:** I'm talking about the Lewis report.

**Hon Mr Silipo:** Okay.

**Mrs Cunningham:** I was really shocked to read that.

**Hon Mr Silipo:** I think I would have to say yes, but I would also want to hasten to explain my yes, because I think one can get into a very complicated and needless antagonism around this issue of racism in terms of teachers in the context that you raise the question. I don't believe that teachers are racist. I believe, however, that there are elements of racism in our education system, as there are in our society in general. I think we have to look at some of these issues in terms of how we define the word "racism" and what that means. I don't believe there are people out there, teachers or others in our school system, who go out of their way to discriminate against people on the basis of their race, but I think the issue is that there certainly are a number of results we see that show there is less than the kind of sensitivity, the level of sensitivity we would like to



see with respect to issues of race and culture. Therefore, I think in that sense there is racism in our school system.

I can go back to some of my own experiences in the Toronto system to see that we would see results expressed in terms of students who would be in basic level programs. We would see that traditionally they would follow a bit of a pattern in terms of having students from some of the more recent immigrant groups and students from lower-income families.

But one of the most common denominators you saw throughout the years, whether you were looking at it in terms of the late 1960s, early 1970s, late 1970s, early 1980s or mid-1980s, was the disproportionate presence of black students in those programs, and that's something that sort of transcended that pattern of students being in there because they tended to be from poor families or from more recent immigrant groups. So that's something that gives us an indication of that.

Some information, although I'm not sure how firm the statistics are on this, quite frankly, around some of the dropout rates, particularly as they apply to black students, is again another concern. So I think there are some examples like that that one could pick to sort of indicate there still is a problem. I think the issue is how can we settle—I think it's a question more of some systemic issues that need to be addressed, as opposed to individual racism or racism by individuals, which I think is much less of a problem. That's why we need to do a lot of work in terms of sensitizing people to that issue and sensitizing people to the kinds of things they should be doing.

One can define racism also as being the omission from curriculum, not from curriculum documents because it exists in curriculum documents, but from the use of those documents in classrooms and the exposure young people have to the roles of the various races and cultures within Canada in Canadian life and Canadian history.

It's again seeing racism in that kind of broader context that I think can get us away from the kind of defensive positions people might otherwise get into. If people choose to sort of react in that kind of defensive mode, by saying, "My God, what's in this report? I know I'm not a racist"—as any individual teacher would say and I would understand that—I think we need to get away from that kind of reaction and process to one that says: "What are the results showing us? If the results are showing us that there are young people who are not getting the kind of experiences and support they need, then we need to look at what we are doing on a system-wide basis in our schools and the kind of things we are exposing or not exposing our young people to."

**Mrs Cunningham:** Just in response, when one reads those kinds of things at a time in society when young people are looking for support—probably the best support system they've got is the school system, other than their own families, and I think it's still true that in many parts of this province, sadly, many of our young people go to school looking for attention, food, clothing and the kinds of things we would hope most families would be able to provide—I think we have to be very careful without proper statistics, and I underline that, proper statistics, to back it up before we make those kinds of statements, because

teachers are easy targets and I think one of the downsides of our society today is that we're always trying to point blame elsewhere instead of looking at ourselves.

That's why I raised it. I was obviously disappointed because I expected that if in fact we did have that problem, there would be some kind of a statistical analysis, even if it were an internal report that wasn't public, that would have accompanied that kind of report, and certainly one that Mr Lewis is probably very capable of putting together, even if he had to resource individual school boards.

I say that as someone who was involved with drawing up the proposals, and ultimately a change in legislation, with regard to the reporting of child abuse. To me, racism is a form of child abuse. I'll tell you right now, even with the policy in place across the system in Ontario—and perhaps some of us as individual politicians; certainly with another hat on for myself in the last four years—I in my own office in the last year have had a couple of incidents of child abuse where people have been reported and nothing has been done about it. It hasn't been within the school board that I represent. It's been other school boards where people don't listen, even people in superintendents' positions, because there are people who teach kids who think it's okay to squeeze somebody's arm or to insult young people in front of their classmates. We still have difficulty in implementing that policy.

1730

It's not going to be easy, and I don't think this kind of child abuse is going to be easy either, and I support you in your efforts. But I think the tough part is having people in supervisory positions strong enough to simply stop it. I don't think we've got that kind of courage in many of our schools or we wouldn't have these incidents reported to us. There isn't a member in this House that isn't aware of one individual in one school who hasn't been guilty, at least in the eyes of the parent or in the eyes of the student, and sometimes in the eyes of a principal, where he hasn't been supported by his board.

What we need is some kind of accountability around that. I'm not certain what I would specifically recommend, but if we're looking at still having incidents of child abuse in our schools, where they're not being taken to the extent they should be, and that's people charged, I think we have to be aware that it's happening. I agree with you, Mr Minister, when you talk about educating people. All of us, I think, have something to learn when it comes to what constitutes child abuse or racism. All of us have something to learn.

In that regard, I'll ask you another question about the job program that was put in place for the summer. I know it wasn't budgeted for initially but the money was found. Again, the Treasurer likes to point to people like myself and say, "You just want more money." I don't think dollars and cents are the answer but they do help. I certainly think that in the big picture of the Ontario budget, money spent wisely in education is well-spent both in terms of prevention—and I think this job program is just that—and in support for education, which I also think is a good thing.

The question I have now is: We've got \$20 million in the provincial budget to assist with youth employment—correct me if I'm wrong here—but we're also hearing that

we've got a number of policies that are being passed in a sense—I shouldn't say policies; we have legislation—and who is going to pay for that? You smartly, I think, found money in the provincial budget for job creation for the summer, but what I don't want to see is the local boards now being asked to come up with the money for policies on racism, which I think should be there anyway. It shouldn't be new money. It should have been in place. If it doesn't exist, I don't think any new money should be required. I think that should be one of your prerequisites.

I guess I'm saying, are you now going to ask, through the existing pieces of legislation we are looking at, one on policies on racism and another for employment equity, that local boards find money and dollars from local ratepayers, given everything you said about how the province should be spending more money or have you set money aside in your ministry for the implementation of this new legislation?

**Hon Mr Silipo:** I can tell you very clearly that we don't have another pot of money sitting around on the side waiting to be opened once we pass the legislation, but as I commented earlier, I think one of the things we need to do and want to do is to take a look at how we can provide a greater degree of assistance to school boards in these new policy initiatives.

The assistant deputy minister for anti-racism and ethnocultural equity is one example of that kind of approach, where, as I say, rather than simply putting out some guidelines that will flow from the legislation and then just saying to school boards, "Here, it's your problem, you do it," one of the things I see is that this person and this division will actually spend a good chunk of time working with school boards in assisting in that process. We may not be putting out money in terms of additional grants, although that's clearly an issue we are going to have to take a look at as well in terms of next year's budget, but I think we can provide assistance in a number of other ways, by looking at the kind of staff support we provide in that area.

With respect to curriculum concerns and those kinds of areas, we do have some funds within the ministry that we have yet to allocate. We'll obviously be looking at making sure those get allocated towards the development of initiatives we are mandating. I guess it's how we find that balance in the most appropriate way between the need for us to continue to say to school boards, "Here are some things we think you need to do," and then expecting that they will in fact rejig their priorities to do that and deliver on those, and at the same time recognizing that we have a responsibility to assist them in that process and that it's not just something we can leave them on their own with.

Again, on each of these issues, we are going to have to take a look at what we can do and the extent to which we can go. Some of those changes we'll be able to bring about in the shorter term. Some of them are ones that are key issues we are discussing in the education finance reform because they go to the heart of that issue of the relationship between the ministry and the school boards.

One of the other things that touches on this as well in terms of this whole relationship is that we are looking—I alluded to this a little bit in the statement that I made in the House some weeks ago around the question of governance,

when I talked then and when I talked, I think, the last time I was here, about the issue of the relationship between the ministry and school boards and my sense that this needs to change in significant ways in some areas.

There's also the question of the role our regional offices play. My own view, although I have to confess it's still too sketchy for my liking in terms of the degree of knowledge I have in this area, is that there can be a greater, stronger tie between the work the regional offices do and the school boards. I think we can look at how we can provide that link in a better way and also recognize that the role of the regional office may have to be different in different parts of the province to account for some of the different needs that we have in the various parts of the province.

As I know you know, when you look at schools and school boards throughout the province we have the whole gamut, from very large urban boards and very sophisticated kinds of programs to one-school school boards. We have a whole range of things we are looking at and a whole range of ways in which we are trying to provide different kinds of assistance. A northern education project is another example of the way in which we are trying to provide some coordination of support services and other things between some boards in the northern part of the province.

There are a number of things I think we are not only doing but that we need to sort of step up our efforts on in trying to deal with this issue of the relationship and the support we provide to school boards in implementing the kinds of policies we are saying to them we want them to implement.

1740

**Mrs Cunningham:** On the same topic, I think we've seen a couple of steps—sadly we've witnessed a backward step and that is with the tremendous challenges that the boards have had and with the leeway they have had in using the dollars they've got.

We've seen the cutting back on special education classes. If you take a look at my original question to you, Mr Minister, with regard to racism and pointing fingers and what not, the other side of that coin of course is some of the very special students we have in our schools in these times, not only within the city of Toronto but across the province.

I know many of the special classes—some of them were called behaviour classes, whether you and I like it or not—many of these young people have been certainly discovered, or however you want to put it, at a very early age and that's a good thing because one can look at prevention, but those kinds of classes have been cut back across the province because those are the kinds of classes that aren't part of collective agreements, as you well know.

The class size is a place where the boards do have some leeway. So again we're looking to our employees within our boards to show some leadership with regard to what we want to be able to retain. That's why, and I'll speak directly to Mr Martin in this regard, I'm not against finding more money if in fact that's what this little piece is with regard to the \$50 million, but I would certainly have



put that right back into those classes in the short term because those are classes we really need.

It's clearly the other side of the coin. Many of these students are students who are behaviour problems, who do in fact get singled out by teachers regardless of their training as being very difficult to teach. That's the reality of our times and it has been for ever thus. The good news is that we take it very seriously and we're trying to teach young people today that we didn't even begin to reach in the 1950s and even the 1960s.

I think that's a tremendous loss to the system wherever we have lost those classes and I say it with specific examples. You know what they are, Mr Minister. We could go through the boards together where we're looking at settlements of over 10% for two years and three years and some of them are even recent and some of them have arbitrators involved. That's what happens.

Another question I think Mr Bisson, and I kind of smiled when he said it, talked about is sharing of resources. I certainly share his view, except that I thought, again staying on this topic of policies with regard to racism or any other special policy that some boards are finding to be most helpful, I used to think there was some coordination or hoped there was in the system. I can remember asking the same question when I was first elected in 1973. It was with specific regard in that year to the regional office and what it was putting together with regard to curriculum and what we already had in London.

I am wondering, and I'm happy that you mention it, Mr Minister, there is so much that's already developed and working, but we shouldn't have to be reinventing the wheel. I would say to some of these people, if they had to go back into the classroom after being out of it for 10 years, they'd notice a real change. That would be a very big challenge. I'm all for putting people in the front lines. That's where I'd put my money.

I think there might have been a follow-up question, and I'm not sure, Mr Chairman, if you had one. I'm finished with regard to that policy, but I thought you might have had a question. I'm not sure if it's appropriate or not.

**The Chair:** I did, but our time allocation is coming close to an end. Perhaps at the end, if the committee will permit me, I have a couple of quick questions I want to put on the record.

**Mr Beer:** Go ahead.

**Mrs Cunningham:** If it's on topic, go now.

**The Chair:** If I may then, just very briefly, and I'll just share this with the minister, it's my understanding from your deputy that the interviews for the assistant deputy minister on race relations are going to occur in August, so we won't really have someone in place until September.

**Hon Mr Silipo:** Right.

**The Chair:** What was the framework for consultation on any resulting guidelines? It's important that the teachers' federation and the trustee associations participate, because when I made an inquiry several years ago about the issue of racism, several boards shared with me the number of teachers who had been dismissed for that reason. That has usually

involved a grievance, potential court action, and it's usually a three-year process.

I would suspect, and all members of this committee may suspect, that you may be modifying your proposals with respect to early dismissal of teachers found to be racist in their classrooms. If that were the case, it's imperative that we have a consultation process involving the federation and the school boards as opposed to an arm's-length approach which allows this process to drag through the media.

I'm sure this is part of your considerations, but I wonder if you could share with the committee any structure of a process that you'll be following for the new ADM, because these are rather important issues, especially in light of the way you handled the question from my colleague Mrs Cunningham.

The other point was if there was an anticipated review of circular 14 vis-à-vis inappropriate reading materials and/or if your government, through the ministry, is considering material that exists in school libraries. I know that's a very contentious issue. I have several areas where one would naturally assume that your ministry would be making interventions if it follows the spirit and the words of the Lewis report.

It would be helpful if you could share with the committee more than simply the terms of reference for the ADM, but rather let us get a sense of how you would unfold the consultations with the teachers' federation and the trustee organizations as opposed to simply information and support. You will be laying down some rather stringent guidelines one would assume, and having been a former trustee, I can anticipate several of these areas.

I want to thank the committee for giving me the opportunity to put that on the record. The minister may wish to respond, or at some time before estimates are finished give us a better sense of how your planning is coming. I know it's a subject that's of interest to all members of the House for obvious reasons.

**Hon Mr Silipo:** I'm quite happy to do it either way, Mr Chair. I can give you some very quick responses, but I think if the committee is interested in pursuing some of the things you raise, we can come back with some more details.

The issue of the ADM's role, and dealing specifically with the questions of expectations of teachers and of professional conduct, is one that I confess we have not given a great deal of thought to in terms of how we're going to tackle that, other than to say it clearly is an issue we will need to tackle and we would not contemplate doing that without some serious discussions with the teachers' federation. When we have the new ADM on board, in setting out his or her workload and marching orders, we will want to look at a whole variety of issues including that one, and obviously looking at the whole gamut of issues on the question of curriculum materials and assistance to school boards as we discussed earlier.

The question of circular 14 is one that obviously continues to come to the fore. As I say, we can come back with a bit more of an answer in terms of the process. We continue to try to look at the materials that get on to that circular. We have processes through the ministry, and people who are involved in reviewing all the materials that get on

to that circular for a number of biases, including racism biases, and that's something where we can come back with some processes. But it's one that continues to, I don't mind saying, trouble me in terms of nailing down a process that works. As I say, that's something that we continue to work away at.

1750

Similarly with respect to the link to materials in school libraries, I'm not sure I envision the day when we will be saying that certain materials are inappropriate for libraries. I think there may be some in which we will say that. There is a real gut-wrenching issue about what you do with materials that have traditionally been considered to be literary materials that have elements of racism in them.

My own personal view has always been around those issues that rather than burn the books, you take the approach of using those as material that teachers in an appropriate setting in the classrooms can use as teaching tools. But I also realize the sensitivity around those issues, and some books in particular around that. Again, as I say, it's something we need to continue to look at.

**Mr Beer:** I know we just have about 10 minutes left. I wonder if I might raise a specific question that perhaps we can handle in that time. It's specifically around the situation facing the French-language public school board in Ottawa-Carleton. Let me say before I ask the question that a lot of concern has been expressed to me, and I'm sure to you and to Mrs Cunningham, by parents around what is going to happen to that situation. I think we've now been over a year, or close to it, where we've had a special trustee dealing with the board.

Leaving aside the question of even whether that should or should not have happened, clearly it is an unusual situation, a unique situation, where I think it is in everybody's interests to change that back to a normal board operation. Is there anything you can share with us at this stage in terms of where you see that situation going and when the public board would be able in effect to resume its normal operation?

**Hon Mr Silipo:** Mr Beer, I think again I'll give you some brief comments now and come back to that issue in some fuller detail at one of the future sittings of the committee. I can tell you I share the concern you've expressed today and I think in our earlier meeting. What we need to do, despite the background and despite why the board is in the situation that it is, I think we have to move as quickly as we can towards a resumption of the full powers by the school board. That is something we have been working towards.

I know the process that's going on now is causing some problems and being seen by some to be too drastic an exercise. Without getting into those details, I think everyone involved certainly agrees with the sense that the sooner we are able to put together some process by which we get the jurisdiction back into the hands of the boards the better, but I think that also has to happen with some clear understandings and some clear plans in place that will allow the board to deal with the deficit that's there.

**Mr Beer:** Where do you think we are in getting back to a status of normalcy? Is this something that you see happening within the calendar year? Is that possible? Where are the stumbling blocks? What are the issues that don't permit that to happen?

**Hon Mr Silipo:** I don't think we're far from that. But again what I'd prefer to do on that is to bring you back a fuller reply when I think we can get into a more useful exchange than we can in the last few minutes we have remaining now.

**Mr Beer:** Okay. Because there are several areas within the French-language education realm I would like to raise, I think when you come back with that there would also be a sense of where we're going with the Cousineau report.

**Hon Mr Silipo:** Yes.

**Mr Beer:** Again, I think as you and Mrs Cunningham would know, there is a tremendous amount of interest out there in the French-speaking community around school governance and what the government's approach will be to the report. Perhaps in the short time we have left, in terms of the consultation, you sent that report out I believe to the various associations and federations and so on. When were you expecting to get responses? Is that over?

**Hon Mr Silipo:** That period is over, yes. We extended that time line to the end of December at the request of a number of boards. The ball really is now in our court quite clearly in terms of us coming forward now with some decisions and some announcements about what we are going to do to respond to that report.

**Mr Beer:** If I can maintain that metaphor, is the ball in play? Is it off in the corner? I appreciate there are some difficult issues there, but I also would recognize—I think you do—what the Constitution says, what the courts have said, and that expectation out there that in fact the francophone community will have governance over its institutions of learning. I think there is a real sense that this needs to be dealt with sooner rather than later.

**Hon Mr Silipo:** I couldn't agree more. I can tell you that we have been dealing with this very aggressively and very seriously for the last couple of months and that the ball is very much in play. We are in fact meeting. We're just about to extend an invitation to some of the presidents of the various organizations in the francophone community to meet with us some time next week to continue the discussions. We've had a couple of those discussions with them already to share with them some further thoughts we're having.

I think the biggest challenge for us is how and where we find the balance between, on the one hand, the need and the wish to expand governance of education by francophones and, on the other hand, the notion that we have to continue to look at ways of avoiding further duplication of services, further duplication of structures if I can go as far as suggesting that, and at the same time keep in mind that there are discussions going on all over the place, as we've had in this committee room as well, around financing issues and other kinds of changes that will inevitably have some impact on governance in a broader sense. Therefore, we



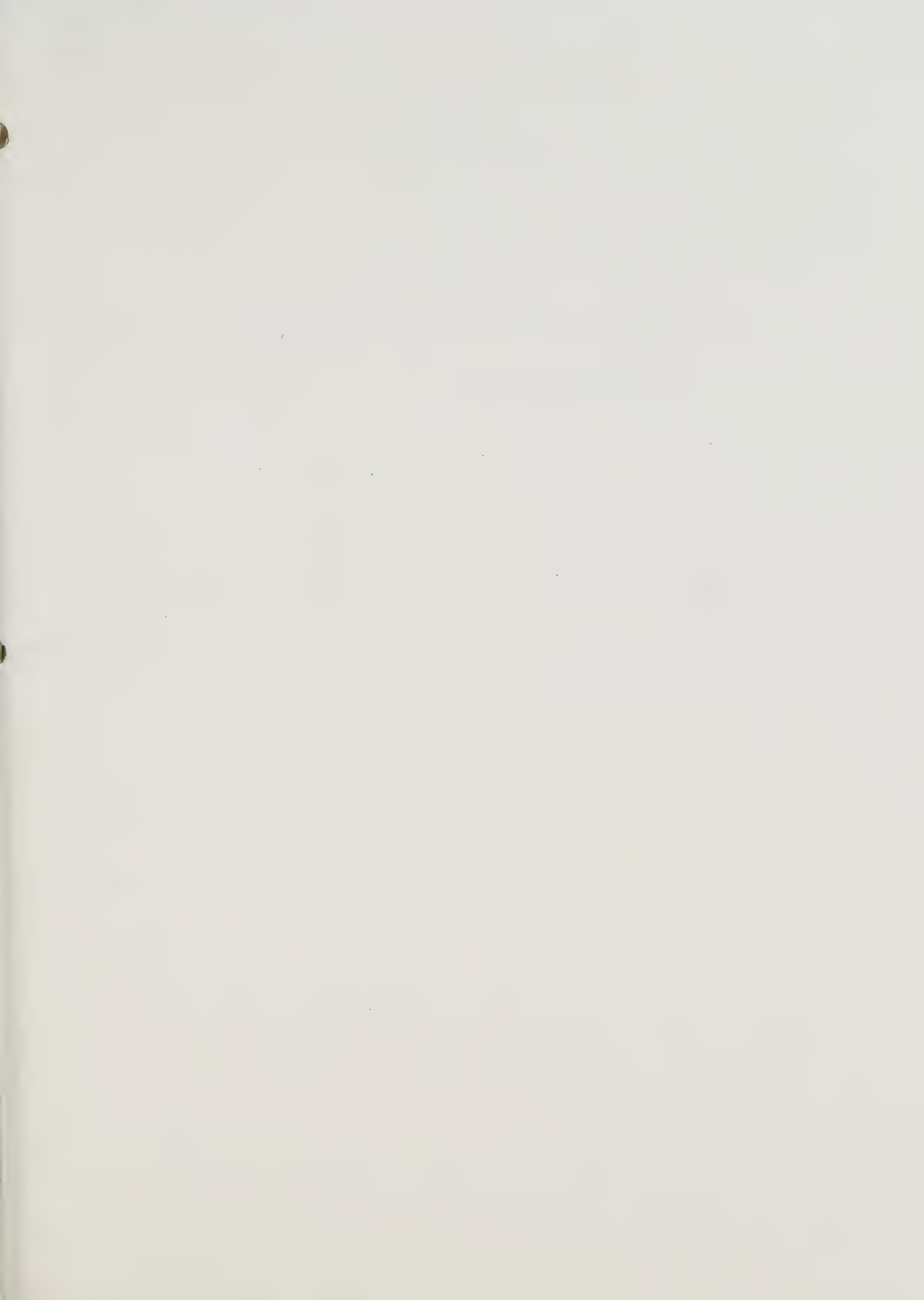
want to try to make whatever decisions we make within all of those contexts. That's not an easy thing, to try to find what things we can do.

I think we've clearly identified some things we can do and we should be doing. I may even be in a position to share some of those more publicly in the next couple of times we get together. Clearly there are a number of things around program areas and improvements we can make that we certainly believe we can do and should do, but there are some broader issues we are still grappling with that

we want to try to continue to get people's input and advice on before we make some final decisions.

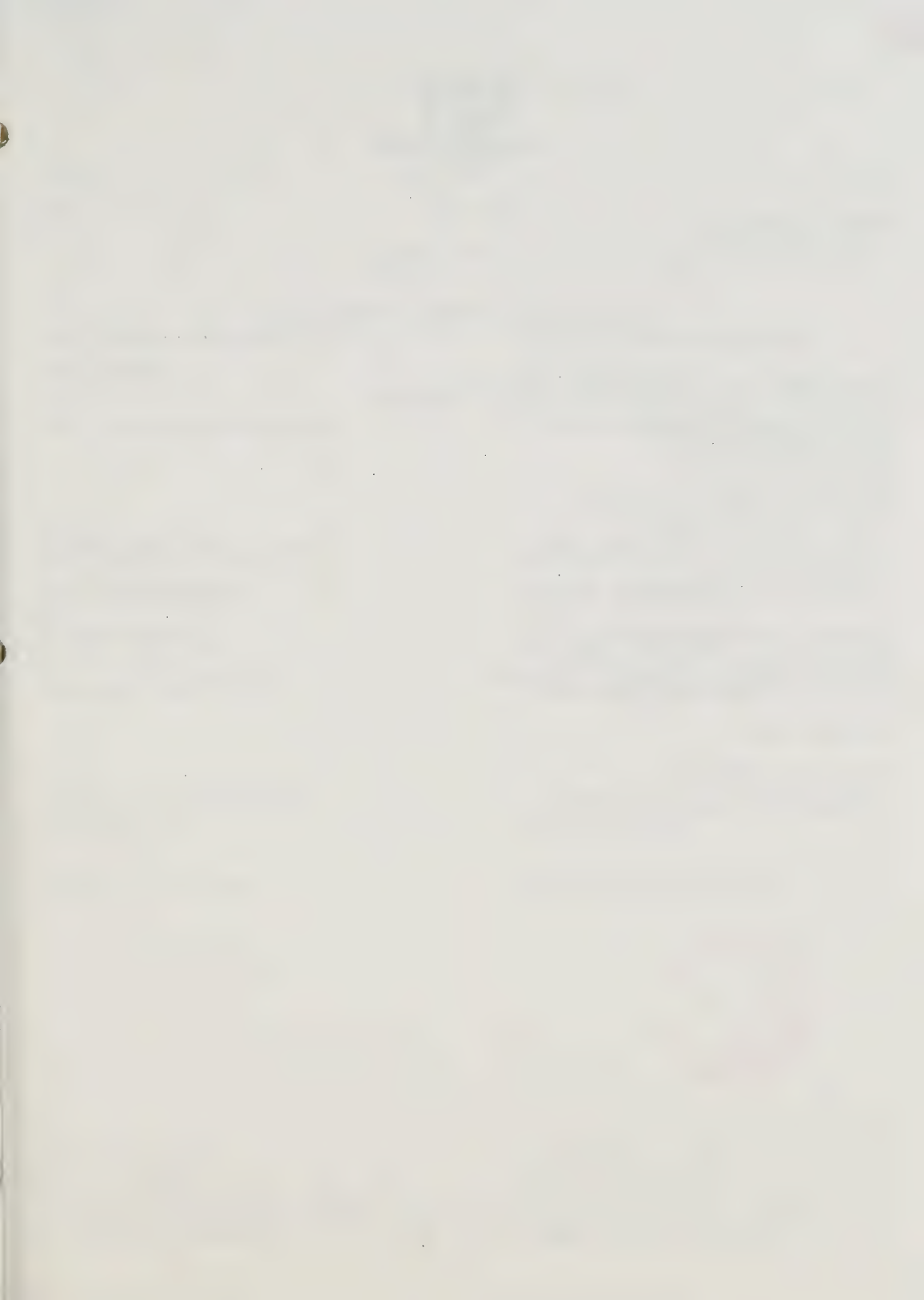
**The Chair:** Recognizing that it is 6 of the clock, I wish to advise the committee that we have six hours and 10 minutes remaining to complete our estimates. For that reason, this committee stands adjourned until Tuesday, July 14, following routine proceedings.

The committee adjourned at 1800.











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- \*Beer, Charles (York North/-Nord L) for Mr Sorbara
- \*Cunningham, Dianne (London North/-Nord PC) for Mrs Marland
- \*Martin, Tony (Sault Ste Marie ND) for Mr Frankford

\*In attendance / présents

Clerk / Greffier: Carrozza, Franco



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**Tuesday 14 July 1992**

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**Mardi 14 juillet 1992**

**Standing committee on  
estimates**

Ministry of Education

**Comité permanent des budgets  
des dépenses**

Ministère de l'Éducation



Chair: Cameron Jackson  
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# LEGISLATIVE ASSEMBLY OF ONTARIO

## STANDING COMMITTEE ON ESTIMATES

Tuesday 14 July 1992

The committee met at 1540 in committee room 2.

### MINISTRY OF EDUCATION

**The Chair (Mr Cameron Jackson):** I'd like to call to order the standing committee on estimates. We reconvene to continue the estimates of the Ministry of Education. We have six hours and 10 minutes remaining. I see a quorum. Therefore, I think at this point we will move to Mr Beer, although I believe the deputy and the minister have some of their responses ready, so perhaps they have been circulated. Minister.

**Hon Tony Silipo (Minister of Education):** Thank you, Mr Chair. We have provided, I believe, answers to the questions that were asked. We committed to come back with some information on paper and I think we've circulated copies to members.

The first deals with the number of people employed by the ministry; the second provides a breakdown of employees with corresponding salary allocations in the central ministry office, regional offices and through the agencies, boards and commissions. The third was information dealing with a list of boards which seem to be in a deficit position for 1992. I don't know whether you wish me to go through any more details than that on these.

**The Chair:** Minister, by your tabling them at the beginning of the process, members and their staff will have an opportunity to look at them and raise subsequent questions for clarification. Thank you for a quick response.

**Mr Charles Beer (York North):** Thank you, Mr Chair, and thank you, Minister, for that information you've provided. I wonder if we could talk a bit about the question of destreaming and the specific approach you're taking. I'd like, if I could, to make reference to policy program memorandum number 115 which you sent out in June of this year. I would also like, in asking some questions, to use a letter I have from a teacher in Newmarket. I was sent a copy of it which I'm going to pass over to you, if I can have it back. That way it will help you in seeing where some of the questions come from.

Let me say at the outset that the proposal on destreaming, of course, came from the select committee several years ago of which a number of us were members. In putting forward that proposal, a couple of the things that were underlined as being very important were that there be appropriate resources for the classroom teachers and appropriate in-service training. I'm not going to read the letter, but I'd like to just read a few of the questions so that we have them on the record. In fairness to the letter-writer, let me just read first of all the opening paragraph, which I think gives the context. This was addressed to me.

"I am writing to convey to you my serious concerns with the government's plan to restructure education in Ontario. I do understand the commitment of the NDP to excellent

and equitable outcomes in education, but I have difficulty with the speed and manner in which the Transition Years initiative is being implemented."

In the first paragraph the writer deals with the question of how effective destreaming is and what analysis has been done of the pilot projects. What information do we have based on Ontario experience?

I think the Chair will recall that, during the select committee discussions, one of the problems that arose was how little Canadian data there were with respect to this particular issue. My understanding was that 62 pilot projects were geared to provide us with information. I would be interested in knowing what you're planning to do with the pilot projects.

The third paragraph really deals with curriculum materials, the methods of evaluation, how teachers will go about individualizing the curriculum, and as you can see, there is a series of questions that are raised.

A couple of examples are made about programs with which the writer of the letter was involved at the grade 10 level where they had both general level and advanced level students and some problems that the teacher underlines where it was his feeling that the advanced level students didn't put out the effort they ought to have and the general level students felt, as he puts it, that they were being discriminated against because they felt he was requiring more work from them in order, in his words, to build positive reinforcement.

But I think at the base of this letter is a concern around the resources that will be available, and what kind of in-service programs. How are teachers going to be prepared to handle this? As I understand it, what you have called for is that this will be implemented starting in the fall of 1993 and that boards have three years to fully implement the program. I think it would just be useful if you could outline how you're approaching that whole issue, with particular focus on some of the questions my correspondent has raised.

**Hon Mr Silipo:** This of course is one of the important program areas which we are moving forward on. First of all, let me say that I think, as Mr Beer would know and as he has indicated, this is an initiative that was indeed begun by the previous government and one in which we were delighted to continue the efforts and in fact to move the issue forward.

Our sense is that there has been enough information gathered from the pilot projects and from the experiences that already exist throughout the province to tell us that we can move forward in the way in which we have done and yet move forward in the way that recognizes the overarching problems that exist with respect to curriculum and with respect to teacher in-service.



I think the approach that we've put together recognizes those are real needs and suggests a way in which we can, I think, proceed but also proceed in a reasonable fashion. So the three-year implementation period is really key to our recognition and follows our recognition that indeed this is not a change in teaching methodology that can come overnight and that a reasonable amount of time is needed beyond the time that there has already been.

I don't need to remind Mr Beer, of all people, that this is an issue that has been discussed now for some years, so it isn't new. Despite the sense out there that this is something we made a decision on quickly, I have to note for the record the years of discussion that there have been on this issue, both formally within the ministry, between the ministry and school boards and teachers' federations and certainly even before that, before the ministry, through the previous government, decided this was an issue we would take on.

What I can say is that I feel very comfortable understanding both the need for us to move on the destreaming, which in effect is moving on changing the way in which students are taught in grade 9, and wanting to move towards a more common curriculum, wanting in effect to push the time for decisions that young people need to make about the kind of future educational careers they want to pursue one year ahead, pushing that decision to a point, at least at the end of grade 9, when they will have had one more year of maturity and be therefore in a position, we feel, to be more prepared for the kinds of choices they need to make but, as I say, recognizing very much that a substantial amount of work needs to happen beyond what already has happened to prepare our teachers to teach in that area and in that way.

In that sense, beyond the three-year time line, what we've essentially said is that September 1993 is the beginning of the three-year period in which we will expect this change. But prior to that we understand, and certainly even during that period and beyond that period, there needs to be a lot of work done with teachers on in-service training.

1550

We have done a couple of specific things in that regard. The first is that we have talked very much with the teachers' federations about that. We have indicated to them and to school boards that we will be issuing this September a curriculum document that will cover the grade 7 through grade 9 years, and therefore provide the basis for teachers to be able to use and have that a year ahead of 1993, to have it for the full 1992-93 school year to use as part of the in-service programs that will be in place.

We've announced funds recently, I believe, in the neighbourhood of \$2.7 million that school boards can apply for specifically for in-service programs around this issue. In addition to that, we are now discussing with the Ontario Teachers' Federation an additional in-service program that they have come up with at our invitation, which is a way of sharing good teaching methodologies throughout the province. We think it's a very innovative and useful process not just on this issue, but indeed could be the model for good in-service programs for other issues.

We've indicated our support and our acceptance in principle of that proposal. We'll be continuing discussions over the summer with Ontario teachers' federations aimed at final approval of that. We expect, as a result of that, we will be needing to spend probably an additional \$1 million or so—I think the proposal is for about \$1.3 million in additional funds to be spent. That's another indication not only of our recognition that the in-service aspect of this is really crucial, but also that the teachers themselves need to be involved very much in the development of the in-service programs through their federations and, I would say, locally in the schools as those are being developed. Again, that's something that we believe we not only can do but in fact need to do.

I guess supporting all of that is the information we are gathering and have gathered through the pilot projects. While obviously the pilots continue, there is, we believe, enough in the way of the research that's there and the indications that are there to tell us some of the things that work and some of the things that don't work. We are also anticipating sharing this information very much with teachers through the in-service programs and the other initiatives.

One of the things we know from the pilot programs is that there is no one model that is necessarily the ideal model. There are in fact a mixture of teaching methodologies that can be used. That's also, I think, part of what we are in the process of wanting to try to get across to people, that while we are talking about changing the way in which grade 9 students are currently taught by and large in the present system, there are a number of possible options in terms of the teaching methodologies. Again, we're quite happy to use the kind of expertise that the teachers themselves have in order to develop those kinds of models throughout the province.

**Mr Beer:** The pilot projects that are under way: I just want to be sure I'm correct. There are 62. Is that right, give or take?

**Hon Mr Silipo:** Somewhere around that number.

**Mr Beer:** Would it be your intention to provide some sort of document that would summarize all of them, not necessarily individually but at least in terms of the sort of specific approaches that they've taken? Would that be something that would be available at some point either this fall or during the course of the year?

**Hon Mr Silipo:** I believe so. I think in fact that information exists now to some extent. I know I've seen some of it in various pieces. I'd ask Mr Chénier or anybody else from our officials to add in more detail to what I can offer at this point. It's certainly something I would envisage that would be useful to do in terms of pulling that information together.

**Mr Beer:** The reason I asked that is that I think at one meeting we were at, on a panel I met with a number of teachers from different boards who were involved in developing pilot projects. There were two teachers, one grade 8 and one grade 9, who had been working together on a project in Northumberland. My sense was that one of the difficulties we're facing here, as always with the change in

program, is the unknown. What does this mean? What's it going to look like?

I said to those teachers, "If you had to name one or two absolutely critical concerns you would have that you felt were most important, what would they be?" They said, "For this, especially in the early years, we need to have resources in the classroom and we need good in-service programs, because for a lot of us this is new." The concern I believe you received from the high school in Northumberland that was involved there was that it had decided not to carry out the pilot project because it didn't believe the resources would be there.

I know you stated elsewhere, I believe in answer to questions in the House, that in your view the appropriate resources in fact are there. It's just that in many cases this is not what we're getting from teachers out in the different schools. The concerns are that just in general terms, with the 1% transfer, there are fewer resources available to boards. When you're bringing in a new program like this, the fear is that it will fail because it won't have those appropriate supports. What kinds of things, in a more specific way, are you looking at this fall?

With regard to a school board going forward with the program, what would we see that was different in the classroom? Apart from the fact that there would not be basic, general and advanced levels, what approaches are being taken this fall? Is it just that those different pilot projects will all have their different approaches? Is there some kind of specific formula, if you like? When teachers in other schools are saying: "We don't know what this animal looks like. Is it an elephant or a mouse or a donkey," what can we direct them to look at that comes out of Ontario experience?

**Hon Mr Silipo:** I'm not sure if Mr Beer is talking more about the nature of the classrooms and the programs as opposed to the issue of resources.

**Mr Beer:** Or both.

**Hon Mr Silipo:** Or both perhaps. On the question of programs, again, I say that for those boards and in those schools that opt to proceed for this coming September beyond the pilot programs, and there may be some that will do that in some limited fashion, we would expect to see a variety of programs. But I would not expect to see tremendous change happening in the first instance. It would depend on where school boards were starting from.

I can think, for example, of a situation, of the schools in the Metropolitan Toronto area, where the type of programs offered are streamed—and I use that in the best of senses at this point—to the point of actually having distinct buildings that house students for various kinds of programs. I don't think it's realistic to expect that in one year we're going to see a tremendous change in that kind of thing happening.

What I think we can see is that over time that will both naturally and as a result of the changes, of us saying that they will not be—for example, that what students will do in grade 9 as of September 1993 will be considered to be of the same value whether they do it in what would have been a vocational school or program or a collegiate school

or program in terms of how it's used with respect to where students can go in grade 10.

**1600**

In think in that context we can see that there will be structurally some changes also—referring back to the policy memorandum—in terms of the question of credits and that issue not applying obviously as of September of 1993 with respect to grade 9 courses.

I think beyond that, again, in terms of the actual models of instruction that will be used and the actual teaching methodologies that will be used in the classroom there will be a variety. Probably the best way for us to answer that question in any kind of substantive way would be to use some of the experiences that exist now in the pilot projects, and indeed as one looks across the province even beyond the pilot projects at what some school boards have been doing on their own historically, a number of the Catholic boards in particular, where for a variety of reasons there has been less streaming in terms of the different kinds of groupings of students at the grade 9 level in some areas of the province. That would be the kind of broad answers I would provide on that.

On the question of resources, beyond the comments I've made so far, I think that when I've indicated it's my sense we don't necessarily need a lot of new money in order for this to work, again I have to say that because what we're talking about here essentially is both a change in the program and a change in the way in which teachers teach students in grade 9, the resource issue really is one that has to be tied back to how to best prepare our teachers and how to best continue to support our teachers for that kind of approach.

I think we could all agree that if we were able to reduce class size in grade 9 or indeed in any grade, that would help the situation, whether it's in a destreamed grade 9 or in any other situation. But I don't know that it's necessary for us to drastically reduce class size for a destreamed or a more common curriculum or a more common teaching approach to working in a grade 9 classroom.

Equally, there are through the pilot projects a variety of models, some of which are very expensive in terms of some of the machinery and other things that have been put into those schools and classrooms—again all things that are very worthwhile, but again things that I don't believe are essential to the issue of teaching methodology and approaches teachers would use.

Again, as we look at some of the calculations people have made around what kinds of moneys you need in order for destreaming to really work, I think we need to look at what models people have chosen to pick out of the variety that exist and then try to translate that across the whole grade 9 enrolment throughout the province and say, "Aha, you know you need billions of dollars for this thing to work, or millions of dollars for this thing to work." I think we need to put that in that context as well, that essentially if what we are looking for is a change in program and a change in the way in which our teachers teach our young people in grade 9, then I think that's where the issue of resources comes in.



I've clearly indicated that I share with teachers one of the concerns they have raised around this question of resources, which is the kinds of gains they have made in the relatively lower pupil-teacher ratio in vocational programs versus general level programs and advanced level programs. To the extent I can influence this, I will not hesitate to do so to ensure that those kinds of gains, which are by and large found in collective agreements, are not wiped out as a result of the elimination of the levels in grade 9. That's something I hope can be reasonably worked out, and we'll be pursuing that issue both with the federations and with the school boards to see what assistance we can provide in that, because I think it would be useful to make sure that we can maintain those gains that have been made in terms of lowering class size.

**The Chair:** Mr Martin had a supplementary, I believe, and then Mrs Cunningham had—I'm not sure if it was a supplementary, but go ahead.

**Mr Tony Martin (Sault Ste Marie):** I was going to actually follow up on Mr Beer's train of thought a bit. Under your leadership, Minister, you were able to find a way of introducing a more fully integrated notion of programming for special ed students in our schools. I think the terminology was "Integration is the norm," which allowed for a fair amount of flexibility from board to board in the way integrated programs would be delivered to students. I'm sensing from discussions I've had and from listening to you today that certainly there would be some flexibility in the way destreaming would happen in various communities, recognizing the resources of that community and the ability of boards to be creative in the way they deliver these programs.

Maybe you might, for my own information and the information of the committee, perhaps share with us a bit more on the degree of flexibility that you're going to allow to various regions and school boards and how that might interface with or be similar to what's happening now in the integration of special ed students in school boards.

**Hon Mr Silipo:** I guess what I would say is, again, I think as we try to focus a little bit on the overall program concerns that we have, that we know are out there and that people have been expressing and in fact have been discussing over the last number of years as a result of the restructuring initiatives, we need to first of all recognize that the question of the common grade 9 is one piece of that and the integration of students with special needs, or a greater sense of integration, is another piece of that.

I think what we need to be doing as we look at all of those issues in a more cohesive way is establish from the provincial end some clear expectations and some clear directions, some clear standards if you wish, about what it is that we expect and what it is that we should be able to do in our schools. Having done that, having set in a broad sense some of the rules, we need to recognize that the applicability of those rules or the way in which those objectives are being met can, I think, have some variation from one part of the province to another. Indeed, even within the same area of the province, in the same school board, there may be, again, different teaching methodologies.

So the question is not to get so specific about how those things are going to be achieved and how those good curriculum objectives are going to be delivered. I think we want to continue to leave a great degree of flexibility both in the local school board and indeed in the local teachers' hands, but I think we need to be clear about what we want to achieve.

When we talk about grade 9, what I think we are saying is we want to try to address, first of all, the issue of the point in time at which young people are expected to make decisions about their future. The end of grade 8, we believe, is far too early for that to happen. Therefore we have to extend at least that one year the kinds of common experiences that young people should have before forcing them into a choice about what they do, because we know that once they make those decisions, while they have the option in the present system of changing courses and changing streams, they rarely do. There are statistics to prove that they rarely do.

Second, I would say that the other concern is about dealing with some of the inequities that exist as a result of the present system of streaming, which still results too much in students from families of lower socioeconomic level and poor families and recent immigrants and visible minorities, particularly black students, being streamed into the vocational programs. That's an issue that I think we need to continue to be conscious of.

In terms of the link between that and our approaches with respect to the integration of students with special needs, I think we're saying that part of our thrust is to try to the extent it is possible to provide for the needs of our young people in as integrated a setting as possible. But having said that, we recognize that there has to be a fair amount of flexibility left locally for exactly how those objectives are going to be met.

In saying that, I also want to make sure that people aren't understanding that to mean we are going to wash our hands of any responsibilities to make sure that these things are happening. I think therein lies the challenge for us, which is how to find that appropriate balance between not only wanting to be clear about our expectations but also having some way of ensuring that those expectations are carried out yet allowing a fair degree of flexibility locally about how that implementation will occur.

1610

**The Chair:** Mrs Cunningham, on destreaming, or did you want to pursue another area?

**Mrs Dianne Cunningham (London North):** I wanted to follow on the destreaming and perhaps make a couple of comments and ask a couple of questions and respond a little bit to what the minister said. In response I think to Mr Beer's question, I don't think you said that you didn't think additional resources were necessary, but you didn't emphasize the real need for additional resources. You look more to the preparation of teachers and the changing curriculum. Am I correct on that?

**Hon Mr Silipo:** Yes.

**Mrs Cunningham:** I would hope you're correct. Any of the resources one would need—at least in my opinion, from my experiences, and I'm speaking mainly now not

just as a school board trustee but as a mother of a young man who was streamered, for very obvious reasons, into a regular high school with an individual support person. He went through the committee that allowed him to have that service. Others did as well, and for him in grade 9 and his friends, his new friends, he made significant gains, because I think he needed to be considered an equal to everybody else. That's where I do agree with you. In that instance it worked. In a sense, if we want to be honest, he was streamered because he needed the resource, but he was in the same school as his friends and that was a good thing.

There was a time after about three years of that that it was really to his advantage to move into a vocational setting, because he had to come to grips with the fact that he wasn't going to go on to university and he probably wouldn't even be able to get a job unless he was trained in a school setting, which I still think was so important. We have to keep the school setting. In spite of my great concern about having apprenticeship programs, I really believe they have to start in the school system. So for him that worked and he went on to his vocational training.

It was interesting that the resource person who was with him, a teacher who became a teacher to do this job, said to all of us—and you can imagine how sensitive this was, myself being on the school board, trying to stay out of the day-to-day operations of the school, which I think I did very well, because it was to everybody's advantage that I do. But in looking back, and it wasn't that long ago, I can tell you that the single most important difference in the vocational school was the way the teachers taught and their interaction with the students. Her great concern was that it didn't happen in the same sense in the high school, that there wasn't that giving of extra time, there wasn't that sense of accountability in that the accountability for those teachers was that the students did meet certain benchmarks.

The word you used three times was "expectations," and I think our expectations of our students—and I know teachers would argue with me—are simply too low. I think they can do so much more.

The accountability in the vocational setting—and this is why I'm so concerned about the way we do any destreaming, because I think many students are ready in grade 9 to go into those vocational schools. Many of them are ready in grade 7. They've already figured out what they want to do with their lives and they're anxious to get out of any academic environment in the sense that you and I think of it. They don't ever want to see another reading book, and they certainly don't want to write words, and many of them with a different kind of disability never want to see numbers. But my goodness, they want to get in there and work with those people. Whether it's the cleaning profession or whether it's working with agriculture or horticulture or whether it's working in a business environment, they love it and they stay in school. The accountability for the two vocational schools I'm familiar with is the pride for the teachers and the administrative staff in those schools, which, by the way, is the fact that those kids when they graduate have jobs. What more could you wish for?

That's why I'm happy to hear the minister say he's moving carefully in this regard. If I had his job right now,

I'd have them all file plans as to how it's working. I think he actually said he's done this, and I'd like him to respond to it. How are they making it work in the school systems now? Surely they're not sitting back waiting for the ministry to come out with anything but broad guidelines to expectations.

The preparation of teachers should be for all teachers. That's why I said what I did last week. They've got to be committed to the children first. Class size reduction: You can only go so far, so the teacher then becomes even more important if the class is a little bit larger. The other thing I can remember being told as a school board trustee over and over again in professional development activities is that time at the task is one of the most important equations for achievement, for success: time at the task. "Practice makes perfect," as we used to hear when we were growing up.

I stand up often and tell the minister that he's got to delay this implementation because I'm not sure what he wants. If I saw it sooner, I guess I could be more supportive. In that regard, I'd like you to speak to what you really mean by preparation. Does that mean you're going to do something about it immediately? Where is the accountability with the teachers now, from the minister's point of view? How are we going to demand that they be accountable? Are we going to demand performance appraisals every year or are we just going to ask what the kids are doing at the end of their school year? So those are two questions.

**Hon Mr Silipo:** Mrs Cunningham has categorized them as two questions, but in her usual way she has in fact captured a whole number of questions in one or two. I talked a little bit about this at the beginning of the meeting, Mrs Cunningham, but while we have now set some expectations and some direction with respect to the destreaming of grade 9, we recognize that at the heart of it lies the question of how teachers are prepared to teach in this new destreamed grade 9 and how they are supported in doing that. It's within those expectations that we also recognize we have a task to do at the ministry and that school boards obviously have a task in continuing to provide that.

I outlined before that we expect to begin in September 1993 and obviously allow a three-year phase-in period, but that beginning this September we would issue a curriculum document that would cover grades 7 through 9 school years and a common curriculum document; also beginning this September that we would expect to start seeing in schools—and we've provided some additional funds for that to happen—a variety of in-service programs that school boards are eligible to apply for which would allow that. In addition, we are working with the Ontario Teachers' Federation specifically around some additional proposals it has put together at our request to deal with some of these issues and a way of sharing some of these good teaching practices throughout the province.

I think all of those are mechanisms for getting at this question of meshing the question of our expectations with the kind of support our teachers need to do the job. When you talk about the issue of the caring attitude teachers in vocational programs show towards the students in those programs, I know exactly what you're talking about. I've



seen it and I've seen, quite frankly, the difference that exists, which troubles me; the fact that there is a difference in that approach all too often, in a general way. Maybe it is unfair to generalize too much in this respect, but I would say this: It seems to me that we need to ensure that the kind of caring attitude that's there and that I think people have generally seen in the vocational programs is not only continued but is there in all of our schools and is there regardless of the kind of program our young people are in. It's as significant to a child who's working at the advanced level as it is to somebody who's working at the vocational level.

1620

I also would agree very much with the sense that we have accepted over the years a certain level of expectation of our young people that is lower than what they are able to do. I speak from personal experience but also from the things I've seen in the school system and the things I know exist in terms of the work and the research that's been done in this area showing that we can have higher expectations of our young people and that when that happens, when that's there on the part of the teacher, on the part of the school, it's one of the factors that go into students doing better.

The other issue is this question of accountability that you've raised, and I was saying before that this remains one of the tricky issues for us. We have historically as a ministry not done very much, or perhaps not enough, in the way of having some clear accountability mechanisms. Sure, we can go in and review a school board's functioning and plans and programs, but there isn't in the present structure a real process of direct accountability between what happens in a school and the Ministry of Education.

One of the things I think we need to grapple with is how to find that kind of better balance, not by usurping the role that school boards play in that process, but by looking at establishing in a clearer way some of the expectations we have and some of the standards we could probably easily agree we should have throughout the province. It's going to be a bit of a tricky area to try to move us along a little in that area. But I'm convinced, the more I think about it and the more I look into this issue, that it's something that not only the public expects of us but is quite frankly something we owe to our young people to be able to do in a logical fashion throughout the province, yet do in a way that recognizes that there is clearly a role that school boards and teachers have in continuing to have a great amount of flexibility around how they meet those objectives.

**Mrs Cunningham:** Would you go so far as to say that there ought to be an annual performance appraisal of teachers?

**Hon Mr Silipo:** I think it's fair to say that exists. I'm not sure I can say how broadly that exists, but I know there are a number of boards that in fact have that kind of process. I've always been a great believer in performance appraisals of people at all levels, in whatever work they are doing, because I think it's one of the ways people stay on top of what they are supposed to be doing. It can be done without it being a punitive thing. It can be done very much as a positive thing that reinforces the good things people

are doing and points to some areas where they can be improving. I think that approach of encouraging and perhaps looking at providing for those things to happen on an annual basis or a regular basis would be quite useful to look at.

**Mrs Cunningham:** Performance appraisal was discussed some 10 years ago by all of us who were on school boards. We all went to the professional development sessions and many of us who didn't work in the education sector used it in other sectors we worked in and in our own private businesses. As long as it's there to improve the quality of work, which is what it's supposed to be about—I would think it would be. But there isn't compliance. Teachers very seldom agree to it. We haven't seen the leadership even from the profession. I'm just wondering how one promotes excellence in education or encourages or honours teachers who are excellent teachers. There doesn't seem to be a reward in the system, and I'm just wondering if you've got any opinions on that.

**Hon Mr Silipo:** The Chair, if I can, has indicated on the side that he thought that was what the step grid was for.

**The Chair:** It started out being that way, as I recall.

**Hon Mr Silipo:** And I guess theoretically that's what it is, to recognize growing experience.

**Mrs Cunningham:** Far be it from me to interrupt, but on that point, I don't know about your school boards, but I don't remember in 16 years ever withholding an increment, and if that's what it was for—the Chairman of this committee is absolutely correct. When I first started to negotiate, I went back to see what that was all about. If you did your job well, you moved along the grid. In our board—I know I'm correct—in the 16 years I was there we never withheld an increment, even when we had reason. We might suspend somebody—

**The Chair:** Even when a teacher was under review?

**Mrs Cunningham:** Exactly. We might suspend somebody. We were the first board to suspend a teacher without pay. We were not liked for about three years. But to withhold an increment because somebody thought that even in a performance appraisal somebody wasn't meeting the expectations of the principal who was doing it, we never withheld it.

But, Mr Minister, I'm asking you how you're going to reward excellence, because that's what it's all about. Do you have any ideas or new information? I'm keeping it very clear.

**Hon Mr Silipo:** I'm sorry, Mrs Cunningham. I'm going to have to ask you to repeat the question.

**Mrs Cunningham:** I think we should all be party to the jokes up there.

**Hon Mr Silipo:** No, this wasn't a joke. Actually the notation that was made to me was quite serious. It was that the increment system we have in place now is one that recognizes experience. We can, of course, debate whether experience always equates growing—

**Mrs Cunningham:** Okay.

**The Chair:** Since I've raised the subject, we're painfully aware that's all it means today. I think the genesis of

this item, which I think Jim Singleton first introduced on behalf of the Ontario Teachers' Federation some 20-odd years ago, was argued on the basis of increased experience equates increased competence and that therefore should be compensable and acknowledged, one and the same. Anyway, we won't dwell on that, nor clarify it any further than that since it was just a sidebar.

**Mrs Cunningham:** I like these clarifications. I have to be reminded. I thought things might have changed in four years.

**Hon Mr Silipo:** They haven't changed in longer than that, so why would they have changed so much in four years, Mrs Cunningham?

**Mrs Cunningham:** I asked the minister if he had any ideas, other than through remuneration right now, which is taken for granted in our society. We should be rewarding excellence. I'm just wondering if the minister has thought about it or if it's something that he put on his list of priorities?

**Hon Mr Silipo:** I'd have to be honest in saying that it's not something I have done a lot of thinking about. I think it's an issue I wouldn't say is not important; I would say in fact it's very important. But again, it's one in which we recognize that a great deal of that responsibility lies at the local school board level.

Having said that, I don't want to sound too defensive about that process, because I do know that in fact there are a number of things outside of the salary issue that can be done using the kinds of positive experiences that teachers have. Using good teachers as models is one way.

We were talking earlier about the best way to put together in-service programs, those being ones that were designed with the involvement directly of teachers because they obviously know the kinds of needs they have. The best process in that also includes using teachers themselves as the teachers of other teachers in that process, in terms of sharing some good teaching methodologies and processes that they are using. I think all of those things, all those ways of recognizing the good things that teachers are doing, can be done.

Your question suggested that perhaps there is more we can do in that area. I don't think I would hesitate in agreeing with you on that.

**The Chair:** Mr Martin has a short interjection.

**Mr Martin:** I participated this past winter in an announcement by the minister and the Premier around grants for students in the sciences, grants that were going to recognize excellence not only for students but for schools and for teachers, which is another way of encouraging that extra effort that sometimes schools and teachers put into a particular area or subject. It's a rather creative way, not new, mind you, but I think it's a good way of doing that.

1630

**Mrs Cunningham:** Was that something the ministry led? Was this something new?

**Hon Mr Silipo:** Yes, the science scholarships. Yes, it was something that was put together, I think between the Premier's office and the Ministry of Education, as a way to recognize science and providing for—

**Mrs Cunningham:** Was this announced in the House?

**Hon Mr Silipo:** No, it wasn't announced in the House because the House wasn't sitting at the time. It was during the break that it was announced.

**Mrs Cunningham:** You missed a rare opportunity, Mr Minister, for me to stand up and give all these accolades.

**Hon Mr Silipo:** I'll be happy to send you the information, Mrs Cunningham.

**Mrs Cunningham:** You know how I feel about these things.

**The Chair:** How much time would you like during estimates to do that?

**Mrs Cunningham:** Exactly. No, I'm not going to use this time.

**Hon Mr Silipo:** Make sure Mrs Cunningham gets that right away.

**Mrs Cunningham:** Absolutely. I'll have to write a letter.

**Hon Mr Silipo:** It was a way of taking on the experiences astronaut Bondar had gone through.

**Mrs Cunningham:** A graduate of the University of Western Ontario.

**Hon Mr Silipo:** Yes.

**Mrs Cunningham:** I just thought I'd throw that in for your information. Did we plan this or did we not?

**Mr Robert V. Callahan (Brampton South):** Western university—where's that?

**Mrs Cunningham:** You ought to know. You spent a lot of money there, Mr Callahan. His kids—more than one.

**The Chair:** His government raised the tuition fees. Mr Callahan has been most patient waiting to ask a question, Mrs Cunningham.

**Mrs Cunningham:** I've been appreciative.

**The Chair:** Is it on destreaming, or any subject at all?

**Mr Callahan:** It is, actually. Do you mind, Dianne?

**Mrs Cunningham:** No.

**Mr Callahan:** To begin with, I never thought I'd find myself at estimates, because I always thought it was about as exciting as watching paint dry, but in the few minutes I've been in here it's been very exciting.

Minister, what I would like to say to you is that I sacrificed my soul and I guess time with my family in 1977 and 1981 to run against a very good friend of mine, Bill Davis, who was then the Premier of the province. People asked me if I took his riding, if I beat him. I said, "No, I scared him out of politics."

The reason I ran was because he was the Minister of Education at the time of the Hall-Dennis report. I don't know whether I was prophetic or whether I was just sensitive to perhaps my former Yankee background as to what was going to happen. I used to tell people in those days, had they ever seen that movie in the 1950s, *Blackboard Jungle*? They all laughed at me. They said, "That'll never happen in Ontario because Ontario is perfect."

I have to tell you that when I came here almost 35 years ago, the educational system in this province was par



excellence. It was the finest I had ever seen. It was certainly far in excess of what you would see in the United States, where they were holding teachers to the wall with knives.

Then the Hall-Dennis report came along, with this very extraordinary vision of the future where kids would have this open-concept philosophy and those kids who were bright would have this ability to be able to achieve in that open-concept situation. But I think one of the things we missed totally was the factor that, thank God, we do have bright kids and we should give them every opportunity to achieve, but we left behind the flotsam and jetsam of the world, the mediocre, the kids who had learning disabilities, who I saw for 25 years in the courts.

If I had a nickel for every pre-sentence report speaking to the matter of sentence for kids—and every pre-sentence report said the kid had a learning disability that went undiagnosed, was pushed through this elitist system we had created where you couldn't be kept back because that was a no-no. The Dr Spockisms of the world would say, "You'll destroy this child if you keep him back, so just force him on," and these kids would get to about grade 9 or 10, maybe 11 if they were lucky, and they'd finally discover that within this fine sunset, magnificent system we had created, there wasn't a place for them.

I'm pretty old, I'm long in the tooth and I can't remember any of the kids I went to school with ever winding up not going on to become whatever they wanted to be, a mechanic, a lawyer and so on.

I guess the concern I have is around—it does deal with destreaming, because I support it. I support it even beyond that because I think a lot of kids—and I can speak. I have four boys myself. We used to go over to the high schools with them and we'd look at this giant fold-out paper that had 105 pages in it and you could take every course from soup to nuts. If you were not there with your sons or your daughters to try to tell them what courses they had to take to be able to achieve beyond that to wherever they wanted to go, they just sort of picked the easiest courses and the next thing you knew was, surprise, at grade 12 they were suddenly cut off totally at the pass and couldn't go any place.

So I support that; in fact I support it beyond grade 9.

But you are bringing in a bill, which is Bill 37, and I must say that I hope you're familiar with what you're doing there. I asked you a question, or I spoke on it in the House the other night, and you looked amazed that I would make the comment that you were cutting out funding for the hard to serve.

I don't know whether anybody realizes this, and I guess I've tried to make a point of it in every speech I've made in the House: We can get very sympathetic towards the disabled who are visible disabled—the wheelchairs, the people who are deaf, blind, whatever. We can provide all sorts of money for them. The one area where we have made very little planning at all, where we are going to regret it because we are going to destroy—we've probably already destroyed one generation of kids—by not providing for these kids who have that disability that you can't see, and it's there. It's a fact of life. It exists.

Let me lay that against the background that I always thought the New Democratic Party stood for, looking after the kids who are poor and disadvantaged. I spoke to the Minister of Health the other day in the House, and I find Frances a very delightful person. She is a very capable minister. I said: "Why will OHIP pay for a constituent of mine's son or daughter, who has a learning disability or a suspected learning disability, to go to a psychiatrist? Why will they pay \$97 an hour for a psychiatrist who?"—with all due respect to the profession and I have to be very careful because Jimmy Henderson may read this. Some of them are drug experts. They deal just in drugs. Others deal in a more perhaps civilized—

**The Chair:** I think the appropriate word is 'addiction' for Hansard here and that would be a more appropriate phrase to describe the training and research abilities of psychiatrists in this area.

**Mr Callahan:** If you send a kid to a psychiatrist, if you can't afford a psychologist—who to me in the main are much more capable people in detecting a learning disability—if we're not paying for them, and that fee can go from \$900 to \$1,500, but we are paying for psychiatrists and we are prepared to unleash these psychiatrists on these kids for the OHIP dollar and have them perhaps be in the vein of either psychoanalysis or treatment through prescribed drugs—in fact what we've got is kids who are poor.

You eliminate the hard to serve, number one. These kids are streamed into the school and they are left there because there's no mechanism to get them out. The rich parents or the the mediocre parents will just say: "The hell with the system. I'm taking my kid out and putting him into a private school or in a school where there is a class ratio of eight or 10 kids in a class." What you've done is you have left the kids who can't afford that because they don't have access to this universal health care system we supposedly have, which I suggest to you is not universal; it is not universal because it is not covering the most significant commodity we have, our kids.

Those people are left there and what do they do? They wind up in the criminal justice system. They wind up as the kids who commit all sorts of crimes and perhaps go into a lifetime of crime. I think we all get into politics for a very specific reason. I have told you my reason. We always hope that somewhere there will be a glimmer of hope that out of our political lifetime here, down at this wacko place, will result in us doing some good for society and having a meaning to the tax dollars it has spent.

I have always found that—

**The Chair:** Mr Callahan, if you will forgive me for interrupting you and I apologize for this.

**Mr Callahan:** Have I not got much time?

**The Chair:** No.

**Mr Callahan:** Should I do it very quickly or what?

**The Chair:** No, I recognized you in the course of the estimates in the hope that you were framing a question. You made reference to the speeches you made in the House—

**Mr Callahan:** Right.

**The Chair:** —and I am worrying, as the Chair, if perhaps you are repeating them. Perhaps you could guide the committee, because your critic has some additional responsibilities and I was in the process of recognizing your caucus and he is being far too polite and therefore it's the Chair's responsibility to approach you with this question.

1640

**Mr Callahan:** Charlie told me I could use all the time I wanted to, I think.

**The Chair:** Then I will shut up, and please continue.

**Mr Callahan:** I'm getting to the point, Minister, that in politics we tend to—all parties; this is not an indictment of your party, it's all parties—do what is politically sexy. That's the reason for polls, eh? Polls tell you what the public is excited about—70% are in favour of Sunday shopping so you go with it—instead of what's important. We don't plan. We don't plan ahead of time.

I'd venture to say that if there was ever a study done in terms of how much money you could save—let's put it on a totally monetary basis, the Bay Street basis, which I don't often talk about because I don't like Bay Street, of just dollars and cents, how many dollars would you save? How many dollars would the Ministry of Correctional Services save? How many dollars would the Ministry of Community and Social Services save? How many dollars would all of these other good ministries save in terms of those people if you could save them before they get there?

That's the planning. That to me is the vision of government. The vision of government is not the next election; the vision of government is, what can you do while you're in that portfolio to help those people?

So I would urge you and your colleague in the Ministry of Health, it's going to cost big bucks to put kids for psychological assessments under OHIP. A lot of them are assessed through the schools. A lot of them are assessed through other avenues of need, general welfare and so on. But there are a lot of kids out there who are not assessed and who wind up in the court system, who are the so-called criminals. But we've made them that way. We've created the scenario for them.

I would hope you will look at the elimination of the hard-to-serve. In the region of Peel it's my understanding that only three students have gotten over that monumental barrier, and it is a monumental barrier, of being able to prove that they're hard to serve so that they get their tuition paid for at some other institution. And I can say this: I don't like paying taxes any more than anybody else does, but I would venture to say that in the Canadian scenario of how Canadians are—we are a very understanding people—I think if you did a poll among Canadians, maybe not Americans but Canadians, you would find they'd be prepared to pay that extra tax dollar for those kids to keep them out of the justice system.

So I urge you, when you look at 37—you've already obviously had a pitch from parents and people with the association of learning disabled on this issue—don't take it away. It's kind of like section 33 of the Constitution Act. Every leader in this Parliament would want to get rid of 33. That's the notwithstanding clause. I'd go out and fight

with a gun to preserve 33, because if you don't preserve 33, it is similar to this preserving the hard-to-serve section. You in fact will find that down the line there will be policy decision you don't want to leave up to the learned justices of the Supreme Court and you won't be able to deal with it, because if you eliminate 33 you've literally given away your rights to legislate to the Supreme Court justices. Similarly, I would urge you, and I will leave after this and give my colleague the critic some time—

**The Chair:** You will stay around and get the answer, I hope?

**Mr Callahan:** Oh, I will. I certainly will.

But I would hope you will talk to your colleague in the Ministry of Health. I would hope you will talk to your colleague in the Ministry of Correctional Services, your colleague in the Ministry of Community and Social Services, and perhaps a very worthwhile report—and I don't care who you commission to do it; it can be a friend or foe; you can pay all the dollars you want for it and I'll never criticize you in the House for it—to find out, are we being wise in terms of our dollars?

Finally, Minister—and this is finally, believe it or not, because in my profession you're paid for by the word—what I would say is, taking it off the Bay Street line of dollars and cents: Think of the young people you have saved through providing that measure, that gap, that assistance to them so that they are not going to wind up standing before a provincial court judge or a county court judge or—I guess we haven't got any more Supreme Court judges—General Division judge, and somebody having to say, as I have had to say—and I have to tell you, every time I did it I felt very emotional about it. I saw a kid who at one time was that beautiful bundle that was delivered from the hospital that turned into the person who was now being sent to the penitentiary for two, three, five, 10, life. So I urge you—I guess I have to form this into a question. I'm asking you—

**The Chair:** You don't have to do that.

**Mr Callahan:** I don't have to? All right, I'll just leave it at that.

**The Chair:** In fairness to Mr Beer, I would like to give him the next 15 minutes.

**Mr Callahan:** I thank my colleague for giving me the time to get that off my chest. I think it forms the genesis of a select committee. Anybody can chair it; I'd love to be on it, though.

**Hon Mr Silipo:** Let me say that I appreciate Mr Callahan's comments. I need to say that if we were concerned with respect to the issues he's raised around Bill 37 and specifically the issue of the removal of the hard-to-serve provision, if we were concerned with doing what was politically sexy as opposed to what is more sensible, we probably would end up leaving the provision in the legislation, because, although I agree by and large with the thrust of Mr Callahan's comments, the hard-to-serve issue is not one that affects most of the young people he was talking about. It affects very few young people.

It has been used, perhaps misused, in recent history. It was originally put in as part of the special education



provisions to allow some accommodation to be found for students outside of school board settings in the very extreme cases where the range of services that could be provided by school boards could not adequately meet the needs of students with severe learning disabilities or other kinds of particular problems. Obviously when that happens—and it happens at provincial expense as opposed to school board expense; that's one of the side issues—our sense is that in some cases, even in the limited times when it's actually been used, there is a mixture of decisions that are made in terms of the process people have to go through to have individuals designated hard to serve and instances where the committees set up to do that have determined that this young person is not hard to serve and the school board then determines that the person is hard to serve. Sometimes that means the ministry is the one that will pick up the tab, as opposed to the school board. I think we have a concern around that issue.

We quite frankly have gone back and forth, in terms of the options available to us, about how to deal with that, and in the end we came up with the notion of proceeding to remove the section from the Education Act because we're quite confident that the question of service to the young person and providing the program can be adequately met from within the provisions that would remain.

I know the concerns that are there, and I think before this legislation proceeds—and we obviously don't expect it to get to second reading until the fall—it's an issue on which I want to spend some more time, and we will have some further discussions both within the ministry and certainly with some of the groups that are interested in that issue. So I'm sure we'll be talking more about it both in the ministry and I suspect eventually in the House as well when we deal with this.

I think the broader issue that Mr Callahan raises about the question of young people with a variety of learning needs or learning disabilities that have gone unheeded was quite frankly part of the process that Bill 82, the special education legislation, was aimed at trying to meet. While I would agree there are still some gaps that are there, I think we could say we're doing a better job today than we were doing a number of years ago.

1650

If I can go back even further to some of the beginning comments Mr Callahan made around the aftermath of the Hall-Dennis report and the move towards a more open concept, I've always been struck by how this notion of a more open concept or how this notion of a teaching methodology that allows more flexibility or allows greater opportunity for young people to look at a variety of options and experiences has over the years become almost equated with a relaxing of standards and expectations, because I see them as two very different things. My view is that you not only can but need to have, as I've been talking about today and on other days, some very clear standards and expectations, and you can still do that and allow a great degree of flexibility in terms of the variety of teaching methodologies that are used.

We make a mistake, and we have within the system allowed the discussion around the teaching methodology—

that is, how teachers should be teaching—to get too mixed up with the question of whether we have standards or not and whether we should have standards or not. I think that part of our challenge is to try to separate those two things out and say, "Not only should we not be afraid of having some clear standards and expectations, but we quite frankly need to restate those in a way that people understand—the public understands, parents understand and teachers understand."

Having said that, we need to take from the best kind of teaching practices that have developed over the last number of years since the Hall-Dennis report and use those that are appropriate and good and not be afraid to continue to encourage a mixture of teaching methodologies, because one of the things that we do know is that not all young people learn in the same way and what works for one group of students doesn't work in quite the same way for another group of students. I know it's easy to say that, and obviously the challenge that continues for us is how to bridge those kinds of approaches, but I think in that way we need to try to move forward in that and try to distinguish the question of standards and expectations from the question of teaching methodologies.

**Mr Callahan:** Thank you. I may return to estimates again, because it's been exciting. The only reason John Sweeney would vote for Bill 82 is because of the hard-to-serve provisions.

**Mr Beer:** I thank my colleague from Brampton South. I'm going to comment a bit on what we've just been dealing with, because I do want and won't be able today to raise some questions around teacher education which in a way flows from all of this, but unfortunately I'm going to have to leave the committee in a few minutes.

I would like just two things, Minister. One is, after Dr Spock, Lloyd Dennis probably has had more of the ills of the world laid at his door than I think any other single human being. I recall, when his report came out, being very young and green behind the ears and being on a plane coming from Sudbury back to Toronto and I ended up sitting beside him. I didn't know who he was but fell into conversation, as one does on an airplane.

I was interested in the comments you just made, Minister, where I think he has been in some ways perhaps the most surprised person to learn that, in terms of the kind of approach he was taking, that was also supposed to mean lax standards and less emphasis on standards. I think those of us who know him and have followed him around ever since then know that he certainly had a very clear idea of standards. I say that, not that the report was perfect or was necessarily implemented in a perfect way, but I don't think we can blame all of our current ills on Lloyd Dennis or indeed on Emmett Hall.

The other point I'd like to make, though, which deals with Bob Callahan's essential point about the hard-to-serve, is that there is out there right now, I think, among many of the parents, certainly ones we talk with, a tremendous unease about what is being proposed in terms of Bill 37, that the removal of that section—I'm not saying this is your intent at all—will put them at risk. I think, Minister,

that between now and the fall when this bill would presumably come up for second reading, to the extent that you and your people are able to sit down and work with the association and meet those concerns—as I understand it, their fear is that there simply are going to be a number of students who will not be able then to get the programs they feel are important—I think what we have to do is to ensure that in terms of most of the young people who fall within that heading of learning disabled—as Bob Callahan points out, the sort of invisible disabled, if you like—are they going to have the kinds of programs and are they going to be able to be assessed in an appropriate way?

I was struck in talking with my wife, who's an elementary teacher, in terms of the growing number of young people who've had to be assessed in her particular school over the last couple of years, and how we are dealing with many more problems, a lot of which are learning disabled. While they don't all lead to kids being in the court system, there are too many who end up that way and when you trace it back, it's been for those problems, that we didn't diagnose problems early enough.

At this stage, I simply want to leave with you that there is as well a real concern out there, which I think we all want to ensure is not realized, just a feeling that because of the hard economic times, what's going to happen is that those young folks in effect will be sacrificed. I think we have a responsibility to ensure that doesn't happen.

With that, I'll conclude my remarks for today. I know tomorrow I'll have an opportunity to continue with concerns and I'm sure Mrs Cunningham, Mr Martin and our colleagues will be able to raise some.

**The Chair:** If I might, on your behalf, Mr Beer, Mr Callahan also raised the concept of at-risk children and I can't help but mention that both you and I were participating in an all-party effort to have some of our activity this summer devoted to public review of at-risk children in our province, to deal with the general questions Mr Callahan raised and the specific concerns we have about the interface between children's aid, the school system and our health services and Community and Social Services.

It would appear the House leaders do not share our level of anxiety about the need for more coordination. However, perhaps the minister might offer a comment about the fact that we may not be able to sit this summer to discuss that, even briefly, and whether he and his ministry might be planning some alternative, because I think at-risk children in this province are a non-partisan issue, one for which, without getting into the funding cuts, everybody's anxious to better coordinate the services that are out there in these tough economic times, because children certainly are getting the 0.5% increases, adjusted, and not the 1% and 2% some other groups are getting.

Perhaps the minister, on Mr Beer's and Mr Callahan's and now on my behalf, may want to also respond to the point that was raised about that.

**Mr Martin:** For the minister's benefit, I might just let him know I was also in agreement with that exercise and the Minister of Community and Social Services saw it as something that would be valuable. The problem was

timing and the reality of this place at this point in time and trying to do everything we want to do as well as give people the time to have some holidays.

**Hon Mr Silipo:** I would agree that it's an area that's really worthy of some thought and some discussion. I can tell you that I think to some extent we are also trying to address that issue through the interministerial committee we have that's working between Comsoc, the Ministry of Education and the Ministry of Health, and involving others, but primarily those three.

What we are trying to look at is some better coordination of a variety of services. One of the things we are trying to do there is to move both in a kind of long-term planning process about how we can better coordinate the delivery of services, but in the short term to start to look by way of example at some things we can do so that it's not just developing a vision of how things should happen, but also taking some current examples and trying to see how, even over the next short period of time, we can be making some changes.

1700

One of those areas, interestingly enough, was looking at the question of children with special needs and what we could be doing in that area. I'm not sure to what extent it fits the at-risk children but I think there's at least an overlap. Although there may not be the ability for those issues to be examined through a legislative committee as you had suggested, certainly we have an interest within the ministries in looking at this area.

Obviously, to the extent that it's useful and feasible, I don't think any of that process is something that needs to be done in secret. I for one would be quite interested in sharing with members of the opposition parties some of the things we're looking at, and even outside the committee process, to be able to get whatever feedback and advice people would want to provide.

**Mrs Cunningham:** I think it would be most useful. Under the previous minister your ministry set up some pilot projects just to look at children's mental health challenges, which is all part of education as far as I'm concerned. Perhaps you could get a report for us tomorrow on how those pilots are going. It seems to me they were hooked into McMaster University around the Hamilton area—I'm not sure if I'm correct—and there was a lot of money involved. We're talking about a few million dollars. I'd like an update on that and I know others would as well.

With regard to the committee looking at it, I think it would probably be extremely useful in the sense that the public and parents are really interested in taking a look at what they're really concerned about. I know some of my colleagues today from all parties have mentioned the need to identify these students. I can tell you that my experience as a school board trustee was that they were well identified. The problem is, how do we serve them? I was sick of having parents have their kids tested only to have no program for them.

I think the one ingredient we haven't talked about today when we're talking about how well teachers are trained, their commitment to their work and the size of



classes and the appropriate programming is, first of all, the role of the parent. Has the minister thought about establishing provincial expectations here of school advisory committees, either along with the home and school association or as part of it or something? We had to make that mandatory in London because some principals, as they moved from school to school, found ways of abolishing parent committees that were working. That's my first question. By the way, Mr Minister, it moved with the principal just as the strap did.

My second point on that issue would be, has the minister thought at all about—because I'm tired of public input on this; it would be good, though, to have the committee take a look at this work. But I think the end result of the committee is some integration of the ministries. Some people have talked about a Ministry of the Child. I sure wouldn't want to see that come down without public input because I think you'd get a lot of good information if you ever raised it.

It's not the first time we've had public input, by the way. I think it was Laurier La Pierre who did that round of public consultations and that was his recommendation. I'd sure be interested to see how that would fly 10 years later, since it was a recommendation some 10 years ago.

The bottom line for me is that we haven't talked about the role of the parents. I think they are part of the child's education. I think many of them need some very strong encouragement, and not later in life from the court system.

The other ingredient we haven't talked about, when you talk about programs for students, is the role of the community in providing places for experience and training. I'm telling you, believe me—there are many people who wouldn't like what I'm about to say—that there are many, many students who would be very fortunate, no matter what kind of teaching process they're part of, to be able to learn to read a newspaper, many of them.

You can talk about anything you want to talk about when it comes to these kids. I'm the parent of one of them. He still goes to school to learn to read and he's 23. You can't blame a teacher for not teaching some of these students. They've tried their best. But, boy, was he ever happy when he had an opportunity to be praised in the workplace for a change. Somebody had finally told him he could do something well. If he had had that opportunity when he went to secondary school—that was a kid with a lot of support. Not all the students we represent have that kind of support. It took a lot of support and unfortunately a lot of young people don't have it; a lot of parents don't have the strength, the confidence or the experience.

I'm just asking if you can speak to whether you think these parent committees or school advisory committees ought to be something that should be coming from the Ministry of Education, from the minister's office, because school boards have certainly had that opportunity. I'm asking you whether you've thought about establishing a Ministry of the Child, or are you going to go for these public hearings where you can get this kind of advice, or both?

What about the role of the workplace as part of the curriculum? Never mind teaching styles. There are a lot of good people out there who are good teachers who don't

have degrees but who could work with existing teachers, so the teacher would be what I would call a job coach, going around keeping track of the 15 or 20 students he or she has to make certain that the people whom Mr Callahan saw are still in school, doing well, with a hope, not three years down the road but six or seven years down the road, of getting their certificate and keeping this job we've trained them for. There are those three questions, Mr Minister.

**Mr Callahan:** Before you answer that, I'd just like to add something, if I could ask the Chairman for that.

**The Chair:** Mr Callahan, it had better be brief.

**Mr Callahan:** It's just on the question of the job coach. Kids with learning disabilities have to have—I'm going around in my community and talking to groups to try to get employers to give them a little more information about the job, because if they haven't got it, they lose it. I think that's very important too.

**Hon Mr Silipo:** Let me say first of all, with respect to the request for information around the pilots, that we'll try to put it together. I'm not sure we will be able to put it together for tomorrow, but if not, we will as soon as we can.

On the questions Mrs Cunningham raised, I don't have to be convinced. I think she knows well the significance of the role that parents and the schools have and that school advisory councils or school community councils have, whatever their format or name might be.

This question of how far we from the ministry should go around whether we should be mandating that they exist, or whether we should stop at, obviously, recognizing their role and encouraging them to continue to exist and encouraging school boards to encourage their creation is an interesting one. As we start to look at some of the issues that we sort of put loosely under the question of governments in terms of the responsibilities of school boards and the ministry, and what should happen, it's really an area that we are looking at.

I can't give a definite answer at this point about whether we're going to be moving in the area of mandating that these exist. I can say, however, that we quite clearly recognize the importance of knowing the role that parents individually have to play, but also the role they can play through the school community councils. That's something we want to look at, how we can be enhancing that role.

The other issue is in terms of the role of the ministry and the possible integration of ministries and what we might want to do there. I think I still have on my bookshelf the report that Laurier La Pierre put together. I remember finding it very interesting reading in terms of looking at a perspective of providing services from the needs of the child as opposed to from whatever the structures are that would make sense for the system.

1710

This is an area in which we are quite frankly beginning to have some discussions. I know there have been some in the past, and they may not be as far along as some would like, but we are at least looking at the question of how we can be better integrating services between, as I mentioned before, the three key ministries of Education, Comsoc and Health. I think that will lead to some natural questions

around the provision of services and how best to do that as well. It's obviously an issue on which we will continue to do some work.

The third point, around the role of the community in providing places for experience and training, is one on which I heartily concur that we need to do even more work than has been done. I think the more we can link the kinds of experiences our young people can have in the classroom with those they can have in their own community, in the various workplaces that exist in their community, through a variety of programs, whether it's formal apprenticeship programs or less formal interaction than that, can only be useful and add to the broadening of experiences our young people have. It will also help us to break some of these barriers we see in the present structure of the school system that suggest that things like apprenticeship programs or this linking of the experience of the workplace with experience in the classroom are ones that somehow need to be limited to students in either vocational or technical and commercial programs.

I think there's a whole area beyond that that we can explore and should continue to explore. Quite frankly we've only really begun to tap the surface, even with all the good things that exist out there. It's clearly an area which I would be very interested in continuing to do some work on, and would certainly welcome continued interest of members in that area.

**Mrs Cunningham:** If I could follow up on that, as that was going to be my next topic, I really did want to spend some time on children's mental health. I think it's evolved from the destreaming discussion we've been able to have today. I've learned a couple of things, I think, that you're seriously looking at teacher training and that you're seriously looking at the appropriate programs. I don't have the same fear I did maybe a year ago that you would ask boards that have good vocational programs in place for even some grade 9 students and certainly grades 10, 11 and 12, because if that's the only place they can get cooperative work programs that meet their skill levels and get them a job—that's not something you would be disposing of in any way. Maybe you had better say it out loud.

**Hon Mr Silipo:** No.

**Mrs Cunningham:** I shouldn't even give you the opportunity, but I like to hear it.

Can I ask a question of the minister, Mr Chair? I'd like to ask him what his idea is, because we've had opportunities to discuss before and he's said he would think about it. We all know that we have the OACs. The expectation when the OACs came in was that the secondary school would be a four-year program. I could be wrong, but I'd ask his view on that question. I may be sounding as if I'm not being consistent here, but I think that for the students who in fact have always intended to go on to university or community college, many of them are now spending five years, even though we expected that it'd be four years, in order to get to that university or community college. I'd like to ask him what he thinks about that or if he has any ideas about the four- or five-year program for students who ought to be able to finish in four.

There's no hidden agenda. I'm just curious, because you obviously have more information than I do. I just don't get out to the schools the way I would like to or the way I was able to in the past.

**Hon Mr Silipo:** I know the problem, Mrs Cunningham. I don't get out to the schools as often as I would like either. I was smiling to myself as you were making those comments, because I remember some of the discussions from my perspective as a school trustee around the time of the introduction of the OAC, and our sense that in effect what we ended up with was a hybrid that was neither four years nor five years but could be either or could be four and a half. I suppose one way to look at it is to say that's the best of all worlds, because then it leaves the choice up to the individual student.

On the other hand, I think it's fair to say that while there's been some settling down of that, I think we see, from what I know on this—I hope I'm correct in saying this—a variety of things happening in terms of what students do. But I don't have any sense that we have any statistics that tell us how many students are finishing their high school career in four years as opposed to five or four and a half. It would be interesting to see if any information like that existed.

This is a question we are probably going to have to grapple with as we look again at bringing together the program discussions and see whether it makes sense to leave the system as it is now or whether we should be talking about clarifying things in a way that makes it clear that it's four years as opposed to five.

I still recall, however, some of the hesitation I had, again as a former school trustee, to the notion of moving to four years because of some of the limitations it imposes on students in terms of what they can do in that time. But I also see the rationale—especially for students who are moving on to college education—that there can be more of a sense in terms of the four-year program, although again that's possible within the present system.

I'm not giving you a very clear answer because I don't have a very clear answer in my mind at this point about what should happen on that. I know it's an area that's on the list for us to be discussing. I know it's one that's being discussed, but I don't have much of a sense at this point, to be quite honest with you, about which direction we should be moving in.

**The Acting Chair (Mr Ron Eddy):** Mr Martin wanted to comment on that.

**Mr Martin:** It's an interesting subject, certainly one I can relate to personally, because it took me seven years to get through high school, for a myriad of reasons. I thank the system for being so patient with me so that I eventually got out and got on to some post-secondary education. But if you had tried to force me through in four, I wouldn't have made it, to be honest with you. The pressure would have been too much.

I think the maxim, as it is in some of the things that are beginning to come forth in the restructuring, is one of flexibility, and should be one of focusing on the students and their particular needs and trying to design a system



that would support each student in achieving that which he is capable of in the time it takes. I would just add that piece to that whole spectrum of going four or five or maybe even more.

**Mr Gilles Bisson (Cochrane South):** Following up on that but with a little different approach, I'm just wondering if the ministry or any of the boards are looking at more of an independent model approach to education for those students who need it. Let me explain what I'm getting at. I went through the school system and at one point—I think it was in grade 6, somewhere around there—they tried something called reading labs. I see the deputy minister probably remembers. Like many students, some of us are motivated differently: Some learn better in a group environment, some learn better in an independent environment, because we want to excel at those things we find interesting at that point in time.

As an educator working in the secondary school system, I know that with some students it's not that they can't cut it; it's that they're just not motivated or interested in my particular teaching methods or basically in the environment they find themselves in within a particular classroom.

I'm just wondering if anybody has ever put their head around that to see if there's anything we can do to offer various models to students; if I'm a student, let's say in mathematics, English or whatever, who wants to move ahead of others because I'm somewhat more advanced in my quest for knowledge on that particular subject. Has any of that been looked at?

1720

**Hon Mr Silipo:** I'm going to comment briefly and then ask Mr Chénier to add to my comments. There's no doubt that the present system allows for that to happen. The question is, to what extent is that encouraged? To what extent is that something people are not just told about but led to or encouraged to where that seems to be appropriate? A variety of programs exist which I think support that kind of approach that Mr Chénier can talk a little bit about.

**Mr Ray Chénier:** The co-op program is used in many schools, or almost all high schools in the province, which can be career-oriented or used to bring students back into school so they have a part-time timetable and go into the workplace.

A program was developed in the west—I believe it was in a school in Calgary—that was imitated in Ontario, in Cochrane. It is really an independent learning centre in the sense that the students work at their own pace. They have units of work to complete and then they go to the teacher and receive a certain amount of tutoring if they have problems. They have individual marking and then they can proceed to the next unit. So it is something that is thought about. I believe we will probably see more of that in the future.

**Mr Bisson:** The deputy minister would know M. Camirand, an educator in our area in Timmins, who actually runs one of the programmes coopératifs for the Timmins Board of Education. One of the observations I make, knowing some of the kids who have gone through it, is that it's an excellent program in that it deals with those

kids already out of school and we're trying to get them back in. Unfortunately, like everything sometimes, some kids actually drop out so they can get into the program.

Those situations do happen. I don't say that to be critical. The only reason I raise it is that in my experience going through the school system, by and large the school system was fairly good to me. The majority of kids who go through it do fairly well. It's not a bad system, but the model doesn't fit everybody equally. I can go back to my time in school and point at particular years where I was just ready to take off and go on my own in particular subjects. At one point I was extremely interested in mathematics and became very frustrated with math around grade 8 or grade 9 because the class was going too slow for my needs. Consequently, I didn't learn anything. I ended up learning algebra much later in life when I went back to college.

I wasn't aware of what they did in Cochrane, but the idea is that we should be looking at that, allowing kids who are ready to take that extra step and when they say, "That's enough," they can come back into the regular way, or what we're accustomed to.

**Mr Chénier:** In the way that that teacher runs the program, because he was working for me before I came here—

**Mr Bisson:** I used to work for him too.

**Mr Chénier:** —the co-op program is used in two phases. One is to bring the dropouts back to school; the other is to prevent pupils from becoming dropouts. So there's a lot of cooperation between that teacher, the counsellors and the teachers in the school. The moment they spot a child who may be thinking of dropping out, they will refer him or her to that person and his team and then interview the child and see if they can develop an individual program so he or she will not drop out but stay in school.

**Mr Bisson:** It works extremely well. I just make that comment in passing. In the discussions I've had with kids who have gone through it and who are in it at the time, it works extremely well because it meets the need they have at that time as their interests are varied and they change over time.

**Mrs Cunningham:** It's very interesting that so many of us have individual examples of success. I think all of us can relate it to an individual teacher. You smile again. It really tells a story, doesn't it? I can remember—I'm going to ask you a question about this—talking about the apprenticeship programs with members of the different teacher groups. Individuals—not the groups themselves, because I'm not sure they've got a position except to say it's a good idea—were very sensitive and defensive, because they thought it might challenge their role as teachers as opposed to being either the teacher-coordinator or the individual teacher or the job coach, who doesn't really have to be a teacher in my view. I have some personal experience in that regard. A lot of them could be retired teachers, because, boy, they're great and it's a meaningful thing to do.

They were very concerned when I suggested that perhaps these are the kinds of programs that have to go all year. If you're talking about the real world and somebody

wants you to work in his restaurant, as I told my son, then you go all year. If you're going to work in the farming community, in agriculture, you go all year. Therefore, that means some major changes to the programs. It's not just summer school, it's not an adult day school that wants to go all summer, it's a program that meets the needs of the student.

Obviously, Minister, if we're going to get into these kinds of curriculum discussions, I really think it's time, and I think it would be valuable and important for your government to have public discussion around these curriculum matters. Perhaps we should be looking at core curriculum. We should be looking at apprenticeship programs and training programs. You certainly have to have a plan. I think if it went out for public discussion as opposed to being introduced at the ministerial level, which has been the practice for the last 20 years, you'd get input from parents and a sense of ownership on behalf of parents. It's a key, and I really think the best part is that there would be some public information shared, not only with the parents of the students but the taxpayers who don't have students in school and whom we're asking to pay for education.

I don't know what the new magic's going to be, but you and I both know there's only so much money. There's no magic. No matter what you do, they're not going to like you if people have to pay more taxes, but the one thing they will like is that we're meeting the needs of today's kids as we take them into the 21st century. I just have to tell you that a public discussion is long overdue and I'm wondering if you could speak to us about some major public discussion on programming, especially with the public's greatest concern right now, skills training.

**Mr Bisson:** Before the minister answers that, just to clarify, I talked about the previous program being with the Timmins Board of Education. Let me explain. It used to be the Timmins Board of Education when I was there. It's now the Timmins Roman Catholic School Board.

**Hon Mr Silipo:** They changed the school to a different board.

I have to say that part of me is really puzzled, not by the issue Mrs Cunningham has presented but by the fact that this need is still there. It's not a need that I disagree with, but when I look at what has been going on for the last three or four years at least, through the restructuring initiatives this ministry has been involved in both under this government and the previous government, there has been an enormous amount of discussion around program, yet there is still the sense that there hasn't really been a public discussion. I know that feeling.

**Mrs Cunningham:** I know, but I get it too. You and I could talk about restructuring. We're close to it, we're interested, we ask questions, we read documents, we go in and take a look at practical examples of what's happening. I have to tell you, in the last three secondary schools I visited, in talking to the principals and asking how many parents have been in there to take a look at the difference in the way the drafting is presented, which is so different, I was so amazed.

Even in the three or four years I haven't been around as much in the schools as in the past, they just tell me parents are so busy. We've got two parents working, we've got single parents and we've got parents who do not have time to get into the school system. Instead of getting more parental involvement, we're getting less, except in some socioeconomic neighbourhoods where, let's admit, we have two-parent families and mom takes time to be home for certain years of her children's education. Things haven't changed.

1730

Many students will tell their guidance counsellors or their psychologists or their psychiatrists that they're lonely, that they have no one to talk to, that they in fact talk to television sets and they don't have the support they want. This is not easy for young people to talk about, and then if you talk to a parent about these new programs, they just don't know about them. Maybe they'll have time to read about it if we really go around and have a public discussion.

You and I—perhaps not yourself, Minister; but yes, yourself—you went around and talked about the Constitution, chaired the committee. I've been around. Now, on the Constitution the public right now is saying, and again I risk being a generalist: "We don't want to hear about it any more. We don't even care what they decided." That's terrible, because you and I understand the implications of what's happening. Not to give my position away, but the public could care less. They don't want to talk about it. They don't want to talk about Sunday shopping. I don't think this government wants to talk about Sunday shopping.

I'm having a bit of fun here because nobody reads the Hansards anyway, but the point is they want to talk about their kids and they want to talk about opportunities for getting work, and if all we did was to have those two rounds of public discussions, talk about something they care about for a change, they'd love it and they'd be out there. I'll tell you, every school in the province of Ontario would be willing to hold a public meeting about: "What do you want for your children? These are your choices."

Give them choices so that they can say yes to everything. They want to be able to say yes. People are sick of saying no to everything. I think if you showed your grades 7 to 9 plan and said: "This is what we're planning to do. What do you think about it?" and if you showed the apprenticeship program—but you've got to have some meat in it. You can't say, "What do you think about it?" I think you've got to tell them what you want to do. They don't know.

I smiled when you smiled, because I thought, "He's not going to believe this question," but people simply don't know what's going on in the schools, and that's in spite of school boards really making an effort.

**Hon Mr Silipo:** I think I have to say first of all that the short answer is that I agree with the thrust of what you said. As I was saying before, while recognizing all the discussion that has been going on over the last three or four years, I think we also recognize the fact that it has involved largely the politicians and the officials and the experts, which is good, because obviously they need to be



involved. But with some notable exceptions, there hasn't been perhaps the degree of discussion among parents and others that one might have wanted.

I suppose it's maybe never possible to get that discussion in that kind of fundamental way throughout the province, but the parallel with the constitutional discussions is an interesting one, because there was clearly the time, prior to the immediate present, when people really did want to talk about that. We at least managed to find some mechanisms that allowed people to talk about that and allowed people's views to come out, for a sense at least of people feeling that there was a way for them to provide their contribution.

While I recognize the need that's out there around continuing to talk and having a real public discussion around curriculum matters, which in the end is really around what our schools should be doing, I think I would have to say—and I'm glad you made this point because it was what I was going to say in response—that it can't simply be a discussion that says to people, "Tell us what you think." It has to be a discussion around our taking on our responsibilities of saying, "From the discussions we've had over the three or four years, from our best sense about what we need, here's a framework or here are some suggestions. Here are some proposed directions we believe and hope reflect the kinds of needs that are out there by parents, and students particularly, and yes, let's allow some discussion around that to make sure, in effect, that we have touched the pulse of what the real needs are there, that we have been able to put together a framework that does reflect those needs in an adequate way and provides a mechanism for getting some changes and some improvements to happen in our school system."

I can tell you that as we are looking at pulling together that kind of a framework you've heard me talk about on the question of program, one of the things we are also trying to address is in how we in fact put it out there in a way that actually encourages some discussion beyond the traditional formats of simply sending it out to all the school boards and all the federations and all of the other people who are interested and saying, "Here it is."

So that is a concern I have because again I share with you the sense that really there has to be a strong level of buy-in in our communities and I think it's there. I think it's not a question of having to think very hard about the kinds of things, the kinds of needs that are out there and the ways of trying to express those. I think in fact there is probably more of a consensus than there has ever been about what some of these needs are and about what some of our objectives should be within the school system.

**Mrs Cunningham:** I have two specific questions with regard to the OAC, since I mentioned it, and one that relates a little bit to some of the hard-to-serve children. They're quick questions.

We're interested in health and healthy kids, and children don't learn if they're tired, if they're not well and if they're hungry. We were looking, I thought, at an OAC for physical education, and I'd ask the question if we could be updated on where that sits.

**Hon Mr Silipo:** I think what I can tell you, Mrs Cunningham, is that whole issue of what OACs there will be, what the range of programs will be, is really part of the discussion around the program we are bringing together. I don't know if we have anything more definite that we can share with you at this point. I don't believe we do, but I do know it's one of a number of issues that are there for us to try to answer as we pull together some conclusions.

**Mrs Cunningham:** So when it comes out, you'll know what my bias is.

**Hon Mr Silipo:** When it comes out, yes.

**Mrs Cunningham:** Daily physical education, not in the terms of a formal gym period, because if anybody, this generation has taught us that you don't have to be in a formal setting to be active. It took a generation, your generation actually, to tell us what we should have done. They've done it in spite of us, I might say. But surely there's got to be some accountability around the reason that young people stop participating, especially young women, by the time they're in about grade 6 or grade 7. Maybe nowadays you'd have some good news for us on that. I'd be interested in knowing what the participation rates are and what the practices are of school boards in the provision of daily physical education programs. I just feel that you probably have some information you could get to me on that.

The other one is one I've asked in the House. I'm not certain what your real impression is, but I still am amazed to visit two or three schools, more recently in the city of Toronto, where children actually went to school hungry. I'd ask if you've given the breakfast program any thought or is that also going to be part of this programming that you're going to be announcing?

**Hon Mr Silipo:** On the daily physical education, we will look at whatever information we have that we can gather together and provide for you.

**Mrs Cunningham:** I'd appreciate that.

**Hon Mr Silipo:** On the question of the breakfast program, no, that isn't something that's going to wait as part of the other initiatives. We are working at that in conjunction with Community and Social Services. In fact we are looking very aggressively at that now and we hope to be able to have some decisions and therefore some things out there certainly for the next school year.

**The Chair:** You mean starting in September?

**Hon Mr Silipo:** Yes.

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**The Chair:** The reason I say that is that my absence for the last 10 minutes was working on a proposal in my community. I see that the better bridges' project funding is going to cease by the fall of this year. There's no upfront funding for the program, but we're putting together one anyway with community resources. Comsoc has cut off our coordinator at our food bank, so we're doing this all alone. I've just seen the two ministries withdraw from the breakfast program for several thousand kids in Burlington that I'm trying to pull together. I'm intrigued by your comments, Minister, and I'm most anxious for the September announcements.

**Hon Mr Silipo:** Perhaps we could look at the specific situation that you've alluded to, Mr Chair.

**The Chair:** I apologize for any interjection.

**Mrs Cunningham:** I just feel that—

**The Chair:** Mr Bisson would like a few moments.

**Mrs Cunningham:** I feel I've had a lot of time, Mr Chairman. Certainly others should jump in here.

**Mr Bisson:** If you had something to finish, it's quite all right.

**Mrs Cunningham:** I have a list, so I think if others have questions—I would just move on to a different topic.

**The Chair:** We'll be sitting tomorrow. Mr Bisson.

**Mr Bisson:** Just very quickly, just in passing, just in comment to what Mrs Cunningham was talking about on the question of curriculum development, I have to concur that it is most important that we find a way of developing curriculum with the participation of not only parents but other people out there in our society as the—and I hate to use this term—end users of the products we produce through our school system. I sometimes wonder how suited it is to some of the tasks we ask our students to do when they end up in the workforce.

Just on that, just quickly, the question of life skills is always something I've thought interesting. I know that a couple of different boards have tried some fairly innovative approaches in order to try to instil within existing programs how to balance a budget, the question of nutrition and the question of hygiene. I know some of that has been done, but I've never really seen anything as far as a concerted effort across all the boards is concerned. I used to always be somewhat amazed, because I guess we were all the same when we went through school, that you would see grades 9, 10, 11 and 12 students coming through your door, and some of the discussions that were going on in regard to what they were going to buy at the end of their school year were really out of touch with reality. We used to get into these discussions in the classroom. It was like, "Oh, I just go to the bank and I sign a paper and I get the money." You try to explain that it doesn't work that way. I'm just wondering if there has ever been any thought about trying to instil in our young adults coming out of the school system, maybe in grade 11 or grade 12, trying to deal with how you balance a chequebook, how you handle your finances properly, all those kinds of things.

The last one I'm going to throw at you—you'll probably cringe when I raise it, but I know it's been raised at least within one of the boards I've met, some of the administration people at one of the boards—is the whole question of centralized bargaining. It's a fairly contentious issue, I realize, but without tipping your hand, how close can you get to talking about what some of the thoughts in the ministry are? I don't need to go through the debate; I think we all understand it fairly well. I know that within some of the boards they're saying: "We would rather go to a system like that than be pitted one against the other, one board against the other, when it comes to contract negotiations." It's not the ideal solution. I hope there's something else

that can be done, but just around that vein, what kind of discussions, if anything, can we have about that?

**Interjection:** Which side is he on?

**Mr Bisson:** I was a government member the last time I looked. Yes, I'm still with the government.

**Mrs Cunningham:** I should add that you do remember—what was the committee that looked at the audits?

**The Chair:** The select committee on—

**Mrs Cunningham:** No, the one that looked at the audits.

**The Chair:** Oh, the auditor's committee.

**Hon Mr Silipo:** Public accounts committee?

**Mrs Cunningham:** Public accounts. We had an all-party agreement that we should be looking at Bill 100 and whether we can improve that whole process, so you're not alone. You had at least six other colleagues on that committee who agreed.

**Mr Bisson:** We're a bunch of free thinkers on this side of the House.

**Mrs Cunningham:** Well, yes.

**Hon Mr Silipo:** First of all, on the question of life skills, I would have to say that I agree with Mr Bisson that it's an area that—I'll confess that I don't have a lot of details to offer in terms of what things we do, but I think we generally recognize that there is a role for our schools to play in dealing with those issues. We can certainly provide more detailed information on that.

The question of centralized bargaining is one that continues to come up as an issue and one obviously which would be a major change from the present system. If we were ever to contemplate any changes, we would want to move, I think, with some caution and a lot of discussion with school boards and teachers' federations.

Beyond that there are, I know, a number of concerns that have been expressed around Bill 100. Certainly some of the experiences that we've had over the last little while have accentuated some of those. I would say that both issues, in terms of the nature of negotiations and how things are happening, as well as some of the processes that we go through, let alone the issue of centralized bargaining, particularly in teacher bargaining, are ones that there have been a number of concerns raised on and in which I think the time is probably ripe for us to begin to at least talk about some of these issues around the processes of Bill 100, the dictates and the seeming interminable time lines it takes for negotiations to be concluded, if nothing else.

This is one on which I've heard concerns from both teachers' federations and school boards, and the whole question of the Education Relations Commission and the role it plays in the process. I've certainly had an opportunity over the last six months or so to get to know the workings of the ERC in perhaps a closer fashion than I might have liked. But I think it's an area that while I can't say is right up there on our priority list of things to charge forward on, it certainly is one that continues to crop up from time to time as an area of concern and I think one about which we're going to continue to have to talk to people.



The other thing I would add is that obviously one of the basic issues that's intertwined in all this discussion is the notion of local autonomy of school boards and where the employer-employee relationship should be. Obviously any move towards more centralized bargaining would begin—more than begin, I think; would change that relationship. So as I say, it's one in which we would move with great caution. Having said that, there are a number of other things, more minor but still fairly significant, that one can do to improve the process of negotiations that we have in place now, especially for teacher negotiations. I think that's one we can take a look at.

**The Chair:** Do you have a supplementary on that, Mrs Cunningham?

**Mrs Cunningham:** I do, not with regard to a review of Bill 100, which is the way I present it—I've certainly asked the minister that question in the House—but more on the issue that my colleague Mr Bisson raised with regard

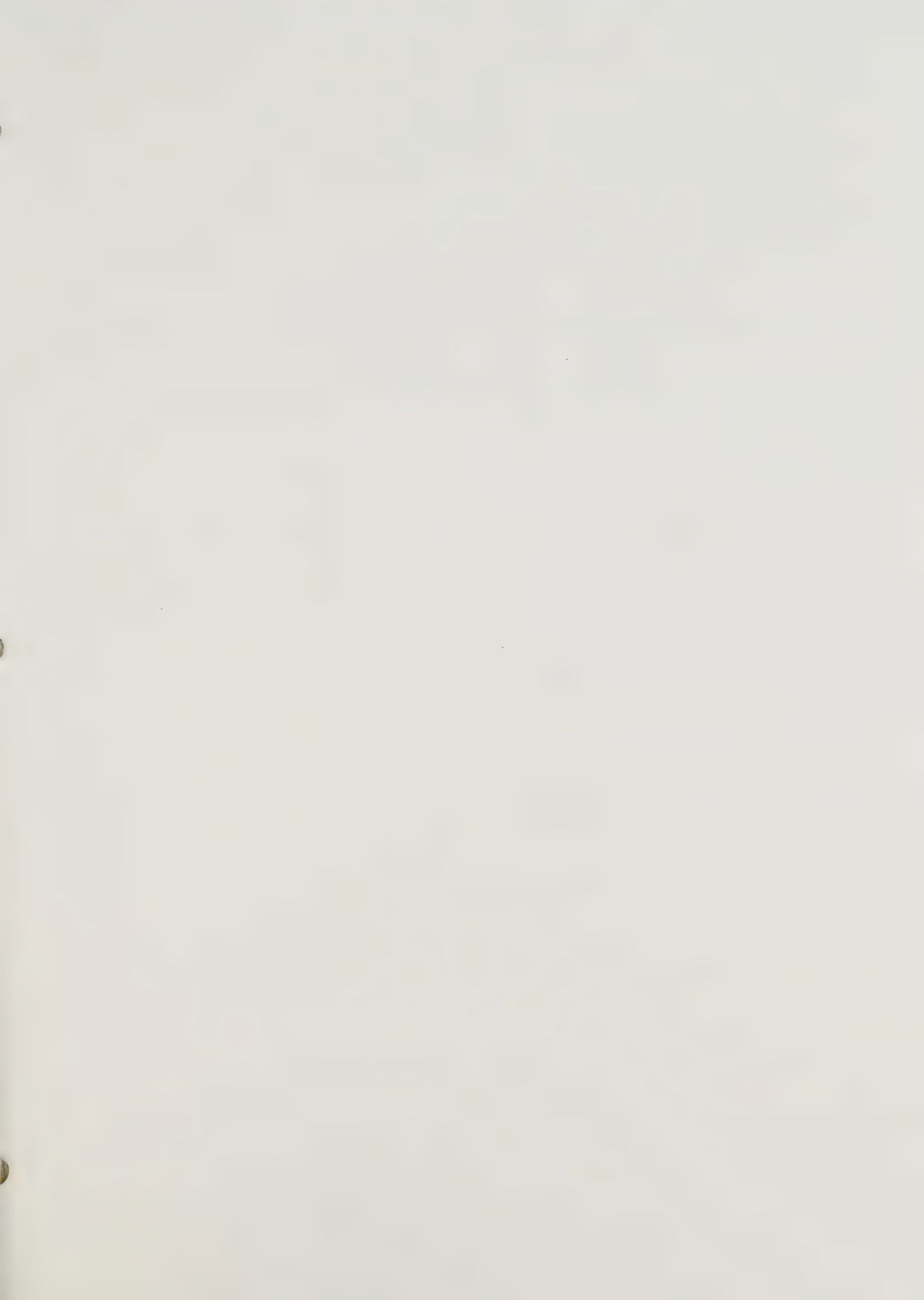
to life skills. My feeling is that schools do a wonderful job of that, whether it be at the basic education level or in the regular classrooms, or especially in the vocational schools, and I think at some risk, I might add. I think there's always criticism when we get into the responsibility of parents. What have we got, a vote on here?

**The Chair:** Closure motion.

**Mrs Cunningham:** Closure? Okay. Perhaps we could take this up another time, then. I'll save my remarks for tomorrow, I guess.

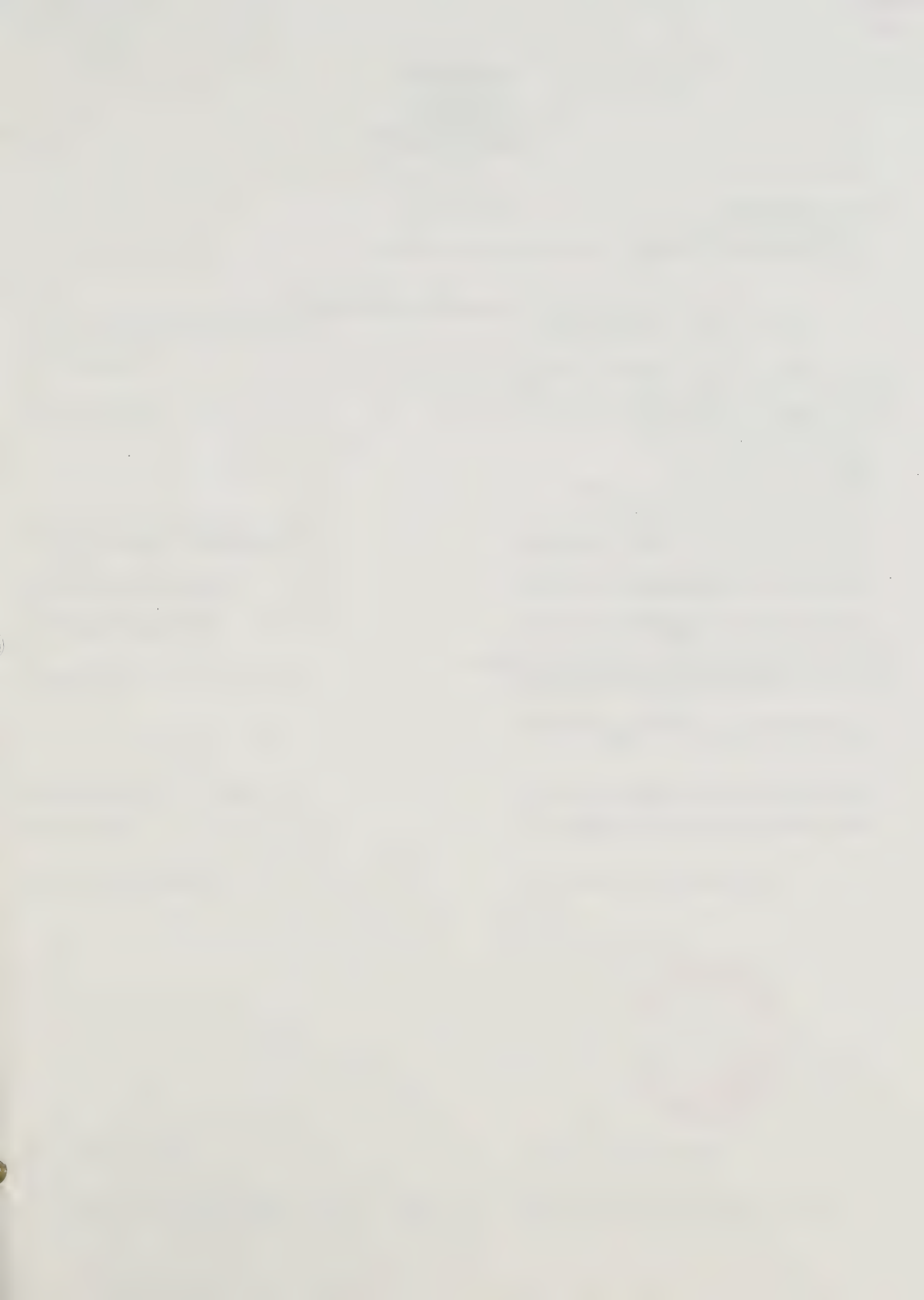
**The Chair:** Yes. In accordance with our rules, we are being called to the House for a vote. Therefore this committee stands adjourned, to reconvene tomorrow at 3:30 or immediately following routine proceedings. We have four hours remaining to complete the estimates of the Ministry of Education.

The committee adjourned at 1749.











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- \*Chair / Président:** Jackson, Cameron (Burlington South/-Sud PC)
- Vice-Chair / Vice-Présidente:** Marland, Margaret (Mississauga South/-Sud PC)
- \*Bisson, Giles** (Cochrane South/-Sud ND)  
Carr, Gary (Oakville South/-Sud PC)
- \*Eddy, Ron** (Brant-Haldimand L)
- \*Ferguson, Will,** (Kitchener ND)  
Frankford, Robert (Scarborough East/-Est ND)
- \*Lessard, Wayne** (Windsor-Walkerville ND)  
O'Connor, Larry (Durham-York ND)  
Perruzza, Anthony (Downsview ND)  
Ramsay, David (Timiskaming L)  
Sorbara, Gregory S. (York Centre L)

#### **Substitutions / Membres remplaçants:**

- \*Beer, Charles** (York North/-Nord L) for Mr Sorbara
- \*Cunningham, Dianne** (London North/-Nord PC) for Mrs Marland
- \*Martin, Tony** (Sault Ste Marie ND) for Mr Frankford

#### **Also taking part / Autres participants et participantes:**

Callahan, Robert V. (Brampton South/-Sud L)

**\*In attendance / présents**

**Clerk / Greffier:** Carrozza, Franco



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## Legislative Assembly of Ontario

Second session, 35th Parliament

## Official Report of Debates (Hansard)

Wednesday 15 July 1992

Standing committee on  
estimates

Ministry of Education

## Assemblée législative de l'Ontario

Deuxième session, 35<sup>e</sup> législature

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Mercredi 15 juillet 1992

Comité permanent des budgets  
des dépenses

Ministère de l'Éducation



Chair: Cameron Jackson  
Clerk: Franco Carrozza

Président : Cameron Jackson  
Greffier : Franco Carrozza





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# LEGISLATIVE ASSEMBLY OF ONTARIO

## STANDING COMMITTEE ON ESTIMATES

Wednesday 15 July 1992

The committee met at 1546 in committee room 2.

### MINISTRY OF EDUCATION

**The Chair (Mr Cameron Jackson):** I'd like to call to order the standing committee on estimates. We reconvene today to complete the estimates of the Ministry of Education, hopefully. We have four hours remaining. I believe, Minister, you have brought with you some additional responses, which are always appreciated, and I thank your staff for that. Perhaps you would like to speak to them very briefly; I believe the clerk has already circulated them.

**Hon Tony Silipo (Minister of Education):** Thank you, Mr Chair. We have circulated three different pieces of information, and these are all in response to questions or comments made yesterday. The first deals with the information we were able to gather on the status of physical education and some information about student participation rates in physical education. We don't have any more information in terms of statistics than what we have managed to provide, but we have provided what we do have.

The second deals with some information on the ministry's initiative for children at risk and provides some information on the integrated services for children and youth and some initiatives going on there in which we are involved with other ministries, as I indicated yesterday, particularly with the Ministry of Community and Social Services and an interministerial group working away at some of those issues.

The third is some information on the science scholarships I talked a little bit about yesterday, the Bondar scholarships that I think members also have some information on.

**The Chair:** Thank you, Minister. Perhaps we could begin with Mrs Marland.

**Mrs Margaret Marland (Mississauga South):** Minister, at the outset I would like to give you the apologies of the critic for your ministry. Ms Dianne Cunningham has had to leave for London because of the sudden death of a very close friend, so I'm sitting in on her behalf at short notice. I hope I can present you with some relevant questions in Ms Cunningham's absence. You probably wonder if I'm going to ask you about St James school, I bet, since I asked you in the House yesterday. Maybe I should do that.

**The Chair:** Do you expect another answer?

**Mrs Marland:** In fairness, it gives both of us a little more time to talk about St James school, as an example. You will recall that St James school is an elementary school in the Dufferin-Peel Roman Catholic Separate School Board. Have you visited that school yet?

**Hon Mr Silipo:** No, I haven't.

**Mrs Marland:** You're the third—no, actually the fourth Minister of Education I have invited to come to visit St James school, and I was really hoping that perhaps you

might be an exception to your predecessors, not only in your government but in the previous government, because you would have to see this school to understand why it's been such a priority for the Dufferin-Peel board, at the top of its list for capital allocations for some years now, and why for seven years I've been asking the ministers to come and visit it and pleading for the necessary funds for the renovations.

This school is a small school, and they have had to use what was a gymnasium for classrooms. So although phys ed is a compulsory subject for elementary school children, this school does not have a facility to provide physical education programming in the context I think your ministry guidelines probably require.

The reason I've wanted the ministers to come and visit the school is just to see at first hand exactly how bad it is in terms of the facility. Being a previous board chairman and a trustee before you were elected as chairman of your school board, I think you would share with me the concern I had as a previous trustee when I saw this school.

I don't know how much you could hear of what I said in the House about the fact that they can't even plan concerts or plays or those kinds of performances, which are all very much part of a school in terms of the school spirit and the participation of youngsters in an elementary school in those kinds of activities. They can't do that in this school, because the best they've got in terms of space is two portables joined together. If you can picture two portables joined together, you immediately can picture how high the ceiling is, so that doesn't provide any height for games with balls or those kinds of phys ed activities; but also they don't even have the proper ventilation or the proper floor. When it comes to, as I say, doing concerts or school plays, graduations, all the things other kids enjoy in new schools or even old schools that were built with facilities they're still allowed to use, this school is totally deprived.

The reason I'm concerned about it is that it's been deprived for a very long time. It has a number of portables on it. The speech pathologists see their students in the principal's office, so when the speech pathologist is in the school, the principal has to move out of his office. The staff room is used for the French teacher. I could go on and on and give you details about how the lack of accommodation in that school affects the ability of the principal and the staff to give those children the full programming to which they're entitled.

I must also tell you that the principal and the staff of that school are very special professionals. They are so dedicated to doing the best they can for these students, and they exceed the normal requirements of their teaching responsibilities in order to give the children the best they can under very bad circumstances.



I've always described this school like this: If you went to northern Ontario and saw a summer school set up in a camp somewhere, that's probably a good comparison to the kind of facilities the staff and students in this school endure. And at Christmas or graduation or other times when they need a stage and an auditorium, the students have to be bused to a local church where they can use the church hall with a stage, and of course they can only afford to have buses to do that maybe two or three times a year.

These children are deprived of an opportunity to learn in 1992 in a facility comparable to what you, as Minister of Education, would want for all the students in Ontario. It's not just been a temporary situation, as I said. It's gone on for a very long time, more than the seven years I'm aware of.

Your ministry has allocated them \$798,000. The request was for \$2.5 million. When I started asking for the money that was needed seven years ago, it actually was \$1 million. That's an indication about what's happened with costs in seven years. Now they need \$2.5 million to remedy the substandard facilities in this school. Although you've come up with \$798,000, which permits them to spend a million, that means they've got to put \$200,000 on the property taxpayers' shoulders in the region of Peel, or debenture it, which is almost worse because they'd have the cost of the interest for ever on the loan.

The board is now scrambling around trying to decide how much of the work that's needed for St James it can do for the \$1 million it's allowed to spend, when it really needs the \$2.5 million. Yesterday, you said in response to my question that the board knows—because I also asked you the question about the capital allocation problem; capital allocations are usually announced in April and here we are in the middle of July and the school boards still don't know what the capital allocations are for this year. You said in answer to that: "But they do know. What they don't know is for 1995-96." Perhaps you could use this opportunity to explain why it is the boards are telling me they don't know what their capital allocations are and they can't plan for it, if you're telling me, "Yes, they do know; they just don't know beyond three years."

When they're responsible for incurring the tremendous debt that capital works incur for a board, I can understand that they don't want to make any decisions about expenditures unless they know for sure what they're getting from the province. This is all causing a great deal of concern to all the boards, not only the Dufferin-Peel separate school board but the Peel board as well.

**Hon Mr Silipo:** Let me start by saying that the comment I made in the Legislature—unless I'm incorrect, and I certainly invite my officials to correct me—still applies with respect to boards knowing their capital allocation. If that's an issue that still is perplexing, we would need to take a look and see why that sense is out there that people don't know what their allocation is.

The only unknown, as far as I can tell, is the question of the 1995-96 allocations, because of the three-year projected announcements that have been made now for a number of years. That process of announcing capital allocations three years ahead of time is exactly in order to

allow school boards to make the appropriate plans for their capital building ahead of time.

I wonder whether, in the information you may be getting from the board, the reference to not knowing is really a question of not knowing yet this year for 1995-96. But, as I say, if there's something there that we aren't clear about, I'm sure we could sort that out.

That's my understanding very clearly. As I say, I look to my officials for correction of that if I'm misstating the matter. I see people telling me that what I'm saying is correct. I think that issue is there in that way. Mrs Marland, we would be quite happy to pursue that with you even outside this context and see what assistance we could provide in getting this sorted out.

1600

In terms of the specific issue of St James school, and first of all the amounts we've allocated through the Jobs Ontario Capital, again I have to presume from the criteria and the nature of the decisions and the allocations made that even though the amount of money we've allocated may, from what you've said, not be the total amount the board might want or might be saying is necessary to do all the work that's necessary, knowing a little bit about the criteria used and the process, two things would be true.

First of all, the sense in the ministry would be that the renovations are ones that could proceed now, at least within the two-year time frame that's envisioned for those allocations to be out there, for those funds to be flowed to school boards. That would start as of this fall. I don't have at my fingertips the details of how that amount is flowing to the school board for St James school, but that is something we can easily make available to you.

The second is that the amount of money approved and allocated would have had to be for a specific project. In doing that there would have had to be, it seems to me, a determination made from within the total needs of that school of some things that could be done, as I say, over this time period, within those funds that were allocated. While it may not resolve all the problems that particular school has, it should be able to resolve some of them to the extent that our allocation plus the board's contribution might address. I'd be quite happy to pursue that issue either here or elsewhere with you in terms of your comment that the board is now scrambling to decide how best to use this money or look at raising its portion of it.

The broader issue you raise in terms of the costs of doing renovations of this kind and the fact that by the time a decision is made and funds are allocated, the project obviously costs a lot more than was originally envisioned, is one of the issues that obviously keeps coming up in this whole question of capital. That's why we have decided it's time to take a look at the way we fund capital projects. We need to look seriously at this question of debenturing. There are perhaps other options but that's certainly one of them.

No one likes the idea of simply adding to the debts out there, or in this case to the debts school boards would have, to build or rebuild schools or do major renovations to schools. Part of the equation that has to be looked at is that by doing that you would in fact be able to get the renovations done faster by borrowing some of the funds

and obviously provide the facilities to the students for their use much earlier, and also to do them at a point when the costs would be less than doing them later down the line.

On the other hand, any time you get into borrowing through debentures or other ways, then you are amortizing the costs over a period of time so it ends up costing to do that as well. Those are the kinds of things that need to be looked at.

As you may recall, in the budget the Treasurer indicated this was an area, not just in education but in other areas of capital, that we wanted to take a look at. In education, I can tell you that over the course of the summer and the fall we will be having discussions with school boards and others around this issue and then trying to get some advice and feedback around some of these ideas to see if people might be prepared to contemplate different ways of allocating the capital dollars we allocate.

The last thing is that clearly, as I said, I haven't visited St James school, but from your description of it—

**Mrs Marland:** Would you come and visit St James school?

**Hon Mr Silipo:** I'd be happy to try to come to see it. What I was going to say was that from your description of it, it sounds like a few schools I have visited, so I think I'm conscious of that need that's out there. We do have a number of schools that are not up to par in terms of the kinds of facilities we would like to see. I think that's why we are trying to look at what other means we have of assisting some building and rebuilding of our facilities at a faster rate than is happening now.

**Mrs Marland:** Could I ask you about looking after students with special needs? Were you a trustee when Bill 82 was introduced?

**Hon Mr Silipo:** Yes.

**Mrs Marland:** So you're very familiar with the mandate of Bill 82. Being familiar with the mandate of Bill 82, how do you feel, now that you're Minister of Education—we all recognize there isn't a money tree at Queen's Park, so we have to prioritize. We can either spend X amount of money for a large number of kids who have regular, normal learning patterns or we can spend the same amount of money on a small number of young people who have great difficulty learning.

What really breaks my heart are the calls I get that I absolutely have no remedy for, and they're from the families of children with special needs, the families who have never, ever asked for help. They've looked after their developmentally disabled youngsters for 10, sometimes 20 years in their homes, and the children have had access to some programs, not all they've needed by any means, and then—as I say, they're very courageous families who have felt they never wanted to ask the government for help.

Then two things can happen. One is that the parents develop health problems of their own. I'm not talking about aged parents; I'm talking about middle-aged parents. Maybe that student or that child who is a student needs extra help other than—I'm not talking about the services through the Ministry of Community and Social Services; I'm talking about help through your ministry.

Right now I have two families whose children have major problems. I'm talking about children who can't walk or speak, still use diapers and so forth, and they're 21. One was 21 this June and one is 21 next June, the two in particular I'm thinking about, and they're out of school because we have this arbitrary age that when they're 21 we no longer look after them.

I happen to think we have a tremendous obligation to look after them, and because they're coming out of the Education ministry, I don't think that whoever the government is—this has nothing to do with who is the government or who the ministers are; it's just simply a moral, social responsibility that I believe we have.

I have pleaded on behalf of families like this for the last seven years in these same circumstances. After 21 years it's the first time they've ever asked for help and we say: "Well, it's not Education's responsibility any more now. Maybe it's Health; maybe it's Comsoc." The truth is that there's no money in Health or Comsoc, so these families now struggle with children who technically at 21 are young adults, but they're children, and as children they still have some learning curve. They still have some potential for growth and development, albeit very different than children without their problems.

I'm just wondering how, as Minister of Education, you feel about that, and would you be willing to extend the responsibility where there are very special circumstances within individual families, like one case: The mother has cancer and both grandparents are ill and there's nowhere for this youngster to go this September.

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**Hon Mr Silipo:** First of all, let me say that I hope that in those kinds of particular individual situations some accommodation could always be found. We run up against those kinds of situations from time to time and sometimes we're able to be of some help.

**Mrs Marland:** What would you suggest they do?

**Hon Mr Silipo:** I think that in discussions with the school board, and with some help we may be able to provide through the regional offices, sometimes some solutions can be found for those individual circumstances. I'd be happy to pursue that with you.

On the broader issue of what we do with respect to the needs of students who are aged 21, we are looking at that issue. We have put that as one of the issues we are looking at in the consultation paper we have out on the integration of students with special needs. That's an issue that as we look at the feedback and the discussion that will flow from that consultation paper, I expect we will have to grapple with and try to see if there aren't better solutions than the present system to deal with the needs of young people over 21 who continue, as you say, to have needs, who may be 21 by age but still require—

**Mrs Marland:** The birthday doesn't change anything.

**Hon Mr Silipo:** Exactly.

**Mrs Marland:** The birthday doesn't change anything with the individuals, nor does it change anything with our social, moral obligation to look after them. Yet suddenly it's 21 and it's a relief because, "It's out of my ministry,"



and there's nowhere for them to go. Yet we have money to spend on all kinds of educational programs for kids who don't have special needs. Those normal kids will survive in society. To tell you the truth, they'll survive in society even if they don't go to school, normal kids. These kids will not survive without our support.

I think Mr Beer has a supplementary on mine, which is fine.

**Mr Charles Beer (York North):** I apologize for being late, but I think this is an area that we all have difficulty with and have examples of in our ridings. I think it does speak to a broader issue, which again we've all—the former Conservative government at the time Bill 82 came in and our own. I can recall this very clearly as Minister of Community and Social Services. I simply want to link it back to the whole Children First proposal, because I think what Margaret has underlined is that we get caught because of ministerial structures, bureaucratic structures, in not being able to move. There may be perfectly logical reasons within structures why we don't move, but what we're all seeing at the end of the day is somebody who needs help and no way of really explaining to the family why that help can't be there.

You have passed out to us, following our discussion yesterday, several pages on integrated services for children and youth. The only point I want to make, Minister, is that unless there is real ministerial will around questions such as this, it won't happen, not because people don't want it to happen but when—I relate this to long-term care—we were trying to bring Health and Community and Social Services closer together there was a very clear sense that you were dealing with two cultures, the culture of the Ministry of Health and the culture of Community and Social Services where people simply responded and worked in very different ways.

I think in dealing with young people, whether we're talking about very young children or, as we move into this area, what happens to young people over the age of 18, we are caught in those different sorts of structures where I sense that what probably is going to be needed is not to create a new ministry, but some way of coordinating far more effectively the services and dollars available in different ministries but which, for a whole series of reasons, aren't getting to the people who need them. I don't think one can explain—I've tried to do this—to the parents of somebody who is just past his or her 18th birthday: "Look, we're sorry. You've been getting all these supports, and now suddenly they're gone."

It may not be the Ministry of Education that should be doing that, but we've got to work out a way. When you sit and talk to parents whose son or daughter has passed that age of 18, there's real terror that strikes that family because the services, by and large, simply aren't there. I just think that in terms of better coordinating those programs as they affect Education, Community and Social Services, Health and Tourism and Recreation, we really have to get on with that and make that work.

**Hon Mr Silipo:** Mr Chair, if I may, let me just say that I agree very much with the thrust of Mr Beer's comments,

and I can tell him that the ministerial will is there. I was talking yesterday about the fact that as we are looking at some of these initiatives, we are not trying just to develop a better sense of how these issues should be addressed in the future but are also looking at taking some very specific examples and beginning to apply this different approach, this more integrated approach, between the ministries involved.

In our relationship with the school boards and others in the community that are providing these services to our young people, we expect to actually have some real concrete examples up and running that will show that this kind of cooperation can result in some changes and can result in some changes without the creation of yet another structure to do that.

**Mrs Marland:** So what do I say to these families that are in crisis today?

**Hon Mr Silipo:** I think, Mrs Marland, what you say to those families that are in crisis today is that within the present structures, we will provide whatever assistance we can. As I said, we have been able to provide some assistance on occasion, depending on the particular circumstances, to try to help sort out and look at what could be done. I guess the other thing you could say to them is that we're conscious that the present system creates barriers that shouldn't be there, and we're trying to remove them.

**Mrs Marland:** So do we contact your office only to be told that they were 21 on June 27 and they're no longer your responsibility?

**Hon Mr Silipo:** My approach to these kinds of issues has always been to direct my officials to work through the regional offices, with school boards and other agencies, to see what solutions can be found.

**Mrs Marland:** So you're suggesting that I give the name of this family and their circumstances to whom in your office?

**Hon Mr Silipo:** You can give them to any of the people who are here with me today.

**Mrs Marland:** Okay. I don't know everybody by name on your staff. How much more time do I have?

**The Chair:** I would like to move on. Mr O'Connor has some questions, and then I want to get back to Mr Beer, if I may.

**Mrs Marland:** Have I had 20 minutes?

**The Chair:** You've had half an hour, less a few minutes or so for Mr Beer. We'll just move on in the rotation. Mr O'Connor and then Mr Beer.

**Mr Larry O'Connor (Durham-York):** I'm glad to see you here today, Minister. I know you've been the recipient of some letter campaigns, as I have. I remember different issues within my riding. I guess one example would be Holy Family school in Beaverton, and I look forward to the day when they see their permanent school. Another example, I guess, could be the Sunshine Club in Whitchurch-Stouffville, a bible study club that had concerns about use of the school during lunchtime programs. I guess that's something that may show up again from time to time as we go into different issues.

One issue that I'd like to talk to you about, and perhaps you can help me direct my constituents to the right area, is the after-hours use of schools by the Girl Guides and the Brownies and the Boy Scouts. As I'm sure you're aware, when I speak of Boy Scouts, I of course mean the Beavers, the Cubs, Boy Scouts and Adventurers and what not, and when I say Girl Guides, I mean the Sparks and the Brownies and the Girl Guides and the Pathfinders. One problem they're facing right now is trying to utilize the schools. I know that schools often are a focal point for many different activities within a community and when you come from small communities, for example the community in which I live, Sunderland, the gymnasium at the school is probably the largest meeting room for an activity that these local Boy Scouts could use.

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Right now a problem that's been brought to my attention by someone from the Boy Scouts in my area—and I know quite a few of them because I was involved with the local Boy Scouts in the area—relates to the fact of the cost that the school boards are trying to put on the local scouting troops for the use of the schools. Three hours of use for \$45 doesn't seem like an awful lot of time, but when you consider the fund-raising—and being on the group committee with the Boy Scouts, I did an awful lot of fund-raising: apple days and paper drives in the past, which are not quite as successful as they used to be. I think they've pretty well stopped with the advent of the blue box and now they're being recycled without the Boy Scouts collecting them. The Girl Guides have had their traditional Girl Guide cookie drives and what not, but fund-raising has always been something that is really hard work for these local community groups to try to raise the funds necessary, so when you consider that \$45 for three hours' use of time, that means an awful lot of fund-raising.

In York region, it's been brought to my attention that for all the activities the Boy Scouts and Girl Guides like to use the schools for, the time totals up to \$400,000 or near \$400,000 for the year. Now \$400,000 is an awful lot of work by a Beaver, polishing up an apple with a polishing cloth and standing outside of a supermarket and selling it. An awful lot of Girl Guide cookies need to be sold to raise that kind of money. I guess what I'd like perhaps is for you to offer me some direction that I might offer to them, where they should go and look for that, because in a lot of communities, all they have are the schools within them and that is a focal point for them, and it does represent an awful lot of apples. So if you could somehow offer me some assistance here, I'd appreciate it, Minister.

**Hon Mr Silipo:** I may not be able to offer you a lot in the way of assistance, because I think, as you know, the question of what boards do with respect to fees they charge for the use of schools is really something that remains within their jurisdiction. I'm not sure that we really want to seriously contemplate changing that.

Having said that, I guess we could certainly be looking at ways in which we can be encouraging boards to take more into account the fact that schools are the hub of the community and that they also have a responsibility to the

residents of those communities to make the facilities available with as little in the way of additional fees to the taxes that people already pay as possible. But again, that's something I think we need to leave to the best judgement of the school boards, because they know best the actual costs of keeping the schools open beyond the hours of instruction and what that means in extra caretaking costs or any of those things.

My own experience has been that fees, when they're charged, are charged essentially and primarily to try to recover those costs when the schools are open beyond a certain time, and my sense would be that whatever fees are charged should be, quite frankly, limited to that aspect and certainly not go beyond that into an area of trying to raise funds through fees for the use of school space.

Obviously, on the other hand, I know that a number of boards have developed policies to deal with organizations that aren't able, for one reason or another, to either pay or pay to the extent possible. We know there is a variety of differences in boards from ones that charge very little, if anything, to ones that have increased their rates. That's an issue that I know is troublesome in the effect that it has on the community and on groups like the ones you've mentioned, and I think we need to keep looking at what, if anything, we can do to assist with that.

I think it's fair to say that's also something we perhaps are seeing more of in recent times than might have been the case in the past. I think it's part of the way school boards have looked at managing the kind of fiscal situation they have.

**Mr O'Connor:** I appreciate the response. I don't think it's a response that's going to be received welcomingly by some of the people in my area. I understand the local board does have the say over the use and cost of the facility. But when we look at that example, it is usually one of the lowest-cost outings for so many young people and children. Quite often, some of the sports activities exclude a lot of kids just because of the fact that they can't afford \$100 or \$200 initiation fees. Usually, when you talk about Brownies, Girl Guides and the scouting movement, their fees are very low and quite often are waived for children who can't afford to pay even the initiation fees, which are really quite low.

Hopefully, we can impress upon the local school boards the need these young people have. Quite often there are programs in rural parts of Ontario that run right after school and there's a late school bus, so the school boards try to accommodate them in some cases. Maybe school boards will take into account, when they're looking at the fees, that they're not, for the sake of trying to be fiscally responsible, eliminating a lot of children from special programs.

**The Chair:** Mr O'Connor, this may be of some assistance to you. In 1972 the Ministry of Education made a policy statement around the community use of schools. They created a framework, as I understand it, for municipal and school board participation.

In your jurisdiction, you may not have such an evolved animal operating to arbitrate these cost matters. We have it in our community—I know several members do—where services are traded between the municipality, such as the



grass cutting around schools, in exchange for modest fees for groups that participate through the recreation department.

If that doesn't exist in your jurisdiction, it's an area you might be interested in pursuing. Certainly the Ministry of Education endorses those frameworks to cooperative ventures. But it sounds like you don't have that kind of a committee in your jurisdiction.

**Mr O'Connor:** I appreciate that suggestion. In the township of Brock, there isn't a rec department at this point in time.

**The Chair:** But your city council can create the framework. I'd suggest you contact the city council. Anyway, I just offered that as a suggestion.

**Mr O'Connor:** I appreciate that. We don't have any city councils within my riding, but in some of the other areas it would be applicable.

**Mr Beer:** I have a couple of things. I would like to start with one specific issue which my colleague will join me with, if that is all right. It deals with London-Middlesex, some conversations we've had with the chairs of two of the boards there.

There was a letter, which the minister may have seen, Wednesday of last week, from the Minister of Municipal Affairs, which was in response to, I gather, an article that had appeared in the London Free Press. I want to confirm one part of this. In his letter, Mr Cooke says, with respect to the London-Middlesex amalgamation or the proposed legislation: "The proposed London-Middlesex legislation will leave existing education matters virtually unchanged."

Is that your understanding, Minister? There does seem to be some concern that has been expressed. I might say, just for your own reference, when we were on that panel at the public school boards conference several weeks ago, I had people from the Middlesex board come and speak to me and raise a number of concerns. I think it would help if you might underline what the situation is.

1630

**Hon Mr Silipo:** Yes. We have done a fair amount of work between the Ministry of Education and the Ministry of Municipal Affairs on this issue, because of the legislation that is now before the House. My clear understanding is that the provisions in the legislation before the House that deal with education are there to make the necessary changes to ensure that what exists now with respect to school board management and jurisdiction etc continues, and the changes to come to that, if any, would come as a result of discussions now going on between the two school boards and obviously involving the ministry officials.

Our sense is that when the report from the arbitrator with respect to the municipal boundaries issues around London-Middlesex came out, he made a recommendation with respect to how we should deal with the school board piece of that by having a joint committee process set up. We followed that advice and have set that up, essentially in the way he recommended. Those discussions are continuing and it's my hope that they will result in some recommendations that will come forward from the two boards. Until that happens and until process is complete, our intent is to maintain the status quo with respect to education.

**Mr Ron Eddy (Brant-Haldimand):** Mr Minister, there are certainly going to be some problems; maybe you expect that. I can understand why the ministry is looking at leaving the areas proposed to be annexed to the city of London, which represent 35% of the assessment of the county, to the city; I can understand them doing that. However, as you probably know, one of the most densely populated areas in the county, Lambeth, is at the northwest corner and is very near the schools in the south end of London. I rather suspect that the people in that area, once they become part of the city of London municipally, will demand the right—and probably some of them go now—to the London schools, especially secondary, rather than be transported to Dorchester.

Under section 56, school board boundaries, "The minister may alter the boundaries of the Middlesex County Board of Education and the Board of Education for the City of London to allow the Ministry of Education to implement any proposed boundary changes as a result of the public consultations." So I expect that could be part or in some way to ease the situation, I would hope, but it's public consultations. Your ministry people are having meetings with the London board of education and the Middlesex County Board of Education. The separate school board of course is joint, so there isn't the same problem.

Will those school boards have public hearings or will your ministry have public hearings—public consultation, sorry; maybe they're not hearings—in connection with the overall annexation hearings, or has that been determined?

**Hon Mr Silipo:** We haven't determined yet the nature of those discussions, but I would not want to proceed with any changes in the boundaries without some form of public consultation beyond the discussions that are happening. I can tell you very clearly that I will ensure that that happens, presumably in a format that's agreeable to everyone, and if not agreeable to them then we'll have to make some decisions about how best to do that.

**Mr Eddy:** Certainly the public will want to be heard, and I'm sure they'll let you know that if they haven't already, naturally.

**Hon Mr Silipo:** I think they have. You can rest assured that there will be ample discussion publicly in the areas affected by any changes contemplated before we make decisions.

**Mr Eddy:** Could I speak to another matter? I wanted to follow up on Mr O'Connor's point, because I think it's very important, and it's a situation that grieves me and has for many years. The reason the pioneers were so anxious to build schools was that they weren't building schools only: They were building community centres; it was the centre of community life. That all went down the drain, or a lot of it, when centralized boards of education were formed, the county boards, and mainly where they were urban-dominated boards, where the hinterlands were just added on to a large urban board.

You mentioned the cost. I appreciate your fact about the agreement, that the agreement extends to some facilities; mainly gym and outdoors in my opinion, but they're there. But it goes much further than that: It's gotten to the point

that boards of education not only charge for the room and for the maintenance, they charge for a security force. I have attended social functions, like bazaars etc, and when you go to the washroom a security officer will go down to the door with you. He doesn't go in, of course, but he opens the door, you go in, he waits and then he escorts you back to the gym. The cost is prohibitive; it has absolutely been a loss for our community centres in many rural areas. It's really wrong, and I hope the local boards could be encouraged to change that. It's mainly where there is a large urban board and it has urban groups who pay for it, but in the rural areas it seems to be a little different. I had to add to what he said, because it's unfortunate.

**Hon Mr Silipo:** I note with great interest those comments, especially the ones about the use of security guards, because that perplexes me a little bit. We'll take a look at the situation.

**Mr Eddy:** You could smash something in there, or misuse the facilities perhaps.

**Mr Beer:** I'd like to turn to the question of teacher education, in particular the role of the Teacher Education Council, Ontario. This is one body which is perhaps better known to you and those in the ministry in terms of its function than it is to the broader public. I wonder if you could first outline what its role is in your opinion, what kinds of things you expect from it, how it's functioning. Then I'd like to just get into a couple of things.

**Hon Mr Silipo:** Broadly speaking, TECO, as it's known in ministry circles, exists as an advisory council to the minister and has a fairly broad mandate around providing us with advice on various ways to improve teacher education in the province. It's existed for a few years now. In addition to advising the Minister of Education, it obviously also advises the Minister of Colleges and Universities, so in that sense it's a dual reporting responsibility. It's made up of a cross-section of representatives, from school boards to administrators to trustees.

It's provided us with some interesting and I think useful advice over the last little while. The last set of recommendations they presented me with dealt with, among other things, a question of how to increase the number of visible-minority candidates in the faculties of education. Other areas they have looked at have been some specific measures we could take with respect to increasing the training provisions for improvement of French-language education, and so forth on a number of other things. I think their last report has been tabled as well, so they're all available to anyone who wants to look at them.

My sense is that it's provided us with some useful advice. I'm now in the process of looking at it and will want to look at some of those over the summer and into the fall as I try to find a bit more time, particularly on some of the most recent recommendations, because I think they provide some useful suggestions to us.

There have been some concerns expressed to me about the makeup of the council. Actually, the council itself has come up with some suggestions to me about how the composition could be expanded.

**Mr Beer:** Just for the record, are there 16 members?

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**Hon Mr Silipo:** Yes, there are 16. They've provided me with some suggestions about how the makeup could be expanded to include representation from visible minorities and other groups who presently are not represented in the makeup. Of course, concerns have been expressed to us about the nature of teacher education and the fact—something I believe in very strongly—that teacher education is at the heart of a number of improvements we are interested in bringing about. It's no accident that the whole question of teacher education therefore was the final piece of the restructuring initiatives discussions, one we are going to have to focus on in a very serious way to bring about some of the program improvements we want. I expect to be spending some time within the ministry on that area, looking at this issue and talking with people in the education community about a range of things we can be doing.

**Mr Beer:** Three particular things: Is the council involved in evaluating the teacher training institutes, the faculties of education that exist? Are they looking at course content? Third, are they looking at all at the question—I think we touched on this briefly the other day—of how teachers are evaluated or ought to be evaluated? Do you see them moving into those areas?

**Hon Mr Silipo:** The general answer is that I don't think they are looking at those areas, nor do I see that they will necessarily be looking at those. But I'd like to ask either Mr Chénier or Ms Lane if they want to expand upon that, and if we don't have that, we can certainly get some further information.

**Mr Ray Chénier:** Mr Harry Fisher did a study of the faculties of education; I believe it was completed about a year ago. It was not really an evaluation of the faculties of education; it was more to find out about admission, how students were admitted and so on. There has not been a study of content and there has not been an evaluation, because it is very difficult to do, in the sense that we are the Ministry of Education who certify teachers, but the teachers are trained by faculties of universities who are totally free of "government interference." It makes the situation difficult and there's a lot of resistance to any type of evaluation.

**The Chair:** Would you speak into the microphone and introduce yourself for the purposes of Hansard.

**Ms Carola Lane:** Carola Lane, ADM, Education. As part of the restructuring initiatives, as the minister has indicated, we have a major focus on the whole area of teacher education. Although it's obviously extremely critical—in fact, perhaps most critical—it's one of the areas where we have been somewhat reticent in terms of getting discussion papers out. But at the request of the minister, we have been putting a priority on it at this point, and some of the issues you raise will certainly be addressed as part of that consultation paper we're hoping to have out towards the end of the summer.

**Mr Beer:** Thank you for that and I appreciate the comments. Sometimes we get caught with real jurisdictional areas—and I think this is one—but where there is very definitely a sense in the public at large; I suppose



people don't necessarily know exactly what is happening or have concerns whether this is really meeting the needs we do have. There are other issues around in-service questions, but I've heard people suggest everything from: Is one year any longer sufficient in terms of "teacher training"? Does even the term "training" suggest a way of looking at the role of the teacher and that we need to be looking at other ways of educating those who are going to be teaching?

I don't have all the answers to that, but I was interested where, in a sense, that focus is going to lie in terms of the ministry.

If the Teacher Education Council, per se, is not doing that, then I take it that's being carried out from within the ministry itself within the other—I forget the section or the division but—

**Hon Mr Silipo:** Yes, Mr Beer, it is, in effect, the last piece of the restructuring initiatives discussions. It's our sense that it will become clearer also, in terms of how to best approach that issue, when we have established, as we are anticipating doing over the summer and into the fall, the kind of framework that comes from pulling together the various program directions that we've discussed over the last couple of days.

**Mr Beer:** Can I then add one thing that you might look at? I know this isn't something new, but I think probably as members every year we get a certain number of young people who will come to see us and say: "I want to be a teacher. I've got a straight B average and I can't get in." I'm oversimplifying, but that has happened. One of the real problems is that, as we all know, simply because people have straight A's it doesn't mean they're necessarily the ones who are going to be the best teachers. In fact, some of the best teachers are those who may have had a somewhat mixed academic record but have a real empathy for kids and all of those things.

I know some school boards have done some innovative things. In York region, where I'm from, and Peel and others in some cases they've developed some programs to bring people who have been out doing other things and then they come in because they've been involved in the school system, they do a special program, they get into the classroom. I think that has worked out very well.

I would just say that I think it is one of the issues we've really got to come to grips with in terms of entry into faculties of education and, if there is a problem around the faculties because of the fact that we're dealing with a university, perhaps looking at some of these other innovative programs that have grown up, in looking at different ways by which people can become teachers. Again it's anecdotal, but I can certainly recall individuals who came to teaching later in life who were marvellous and wonderful and probably could never have gotten in back when they were 21, 22, 23, but through different things they'd done in their lives had reached a point in their mid-30s or 40s where that was something that they really wanted to do.

It's really part of, I guess, looking at what the mix of people is that we want to have within our educational system and how we set up structures that are going to be

conducive to getting not only people who are intelligent and have the academic background to do the courses but more people with a real aptitude for teaching and who really understand that when the door closes and you're there with the 30 kids it's the relationship as a teacher that you create with the students that we all remember.

If you were to ask people in this room, "What do you remember from elementary and secondary school?" we would remember particular teachers. We might not even remember what the subject was, but we knew that within that classroom there was a real learning environment. That has come up so often that if we are about to have a solid review of what goes on in the training and educating of teachers, I would just put a plug for something that would allow greater flexibility in getting more people who I think are not getting into teaching and would really be excellent teachers.

**Hon Mr Silipo:** Mr Beer, I couldn't agree more. I can tell you that's the thrust that's very much on my agenda as Minister of Education, because I know also from direct experience that that's a valuable thing to do and an important thing to do.

I was smiling as you were talking about each of us remembering some teachers who have affected us in one way or another positively, hopefully more than negatively—

**Mr Beer:** Sometimes negatively.

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**The Chair:** They weren't all loved by the principal, as I recall, but they were loved by the students.

**Hon Mr Silipo:** I was recalling a few as you were mentioning that. I think in terms of the suggestion that you made it clearly is an area that we need to do some aggressive work in.

We know that what makes a good teacher is not just her academic abilities but that there are other factors that need to be looked at. This question of jurisdiction between the Ministry of Colleges and Universities and indeed the faculties of education: While it may add to the problems that we need to deal with in terms of coming up with the solutions, in my view it is not the ultimate obstacle. I think there are ways to bridge those differences. In the end I think we will be able to come up with a combination of things that build upon some of the things that are happening now in school boards that you've mentioned—some joint projects that are under way between school boards and faculties of education that are aiming at dealing with these kinds of things. I think we can draw from some of those experiences. I know in the Toronto area that something like that has been going on for a few years and has been quite useful.

I can also tell you that I think the one thing that we don't have is a shortage of people who are interested in becoming teachers. There are many people who are out there with all sorts of experiences, not just young people coming out of university but indeed, as you mentioned, people who have been out in the workforce doing a variety of things.

I can recall just a few years ago when we were looking at this issue in the Toronto Board of Education and we invited to a meeting people who were employees of the board and were working in either a number of support positions or as instructors in a variety of programs, people who therefore had some teaching experience already in a variety of ways and were interested in looking at the prospects of becoming teachers. We had far more people show up than we ever expected. There were hundreds of people who expressed an interest. So that's there, and I think one of the things we do need to look at as well is what we do with respect to people who have some variety of training in teaching, whether it's training in other countries or some other kinds of teaching experiences, and what we can do in terms of assisting those individuals to become certified Ontario teachers in a way that doesn't necessarily have them have to go through the kind of normal or entire training process that we have in place now. I think those are all things that we need to look at.

As I say, I see that the question of teacher education is key to any of the improvements that we could ever contemplate around program. If we don't do that piece right, then all the rest of it falls off.

**Mr Beer:** I want to raise one other issue which affects teachers, but it doesn't deal directly with teacher education. It's really the other issue that comes forward, unfortunately, more these days, which is around violence in the schools and the impact on teachers.

I want to stress at the outset that I don't see this as just being a problem for large cities. It bothers me sometimes when it's put solely in those terms. Clearly there are problems around violence against teachers within large urban areas, but it happens elsewhere as well, at both the elementary and secondary level. I wonder if you could share with us what sorts of initiatives your officials are taking in working both with school boards and with teachers' organizations around the question of violence and what is happening there.

**Hon Mr Silipo:** Rather than my going into a very sort of broad statement on this, I wonder whether I can just invite my officials to make some comments on this and we can again provide you with a list of specific things that are under way, because I'm not sure how detailed an answer you would want, Mr Beer.

**Ms Lane:** The Ministry of Education is involved with the Safe School Task Force in conjunction with membership also from OTF and the various other affiliates of the teachers' federation. We are involved at this point in time attempting to generate some positive strategies that really look at dealing with students in a positive way and yet deal with the whole issue of violence in schools.

Also, within the context of curriculum development we're addressing the kinds of strategies that students should be developing in order to learn to deal with conflict situations and violent situations in a more positive way than perhaps they have in the past.

**Mr Beer:** I know there are some, especially at the elementary levels, very innovative programs dealing with very young children in how to handle conflict situations.

I've seen some of them. They really are very innovative. Was it last week or two weeks ago where one school in the province announced that there will be a policeman assigned to that school? We say to ourselves, "Have we reached that point where that is necessary?" There I would assume that obviously the problem is larger than just the school. We mustn't get trapped in simply saying, "The education system's got to solve that."

Again we come back to how we bring in other parts of the community, whether it's in terms of health services around kids who perhaps—and community and social services where we have a series of social and/or health problems which are then causing violent actions in the school. Through this safe school project, are you involving these other major players dealing with young people? Because I think if not, it's going to make it difficult to really have the kind of support system there that will allow this to work.

**Ms Lane:** There are linkages being made between the Safe School Task Force and the interministerial committee, which the various ministries are represented on. At this point in time the Safe School Task Force, although it has linkages with people in other ministries and agencies, those people do not sit on that particular committee. But the interministerial committee that is dealing with services for children and youth is very much focusing on the relationship among social, emotional, physical and mental wellbeing and the impact that has on young people and children as they relate to more cognitive learning.

**Mr Beer:** I'll just end that by saying that I think, again, it's a place where I believe there are some very valuable suggestions and recommendations in the Children First document around how we're going to get other players involved. I say that not only because I think that will work more effectively but also because the problem for the educational system, whether for you in the ministry or for the boards, is that your mandate is to educate children, and far too often what is happening is you're also being forced, as the only institution in the community, to do a whole series of other things which are necessary but perhaps which ought to be carried out and/or funded by other parts of either the governmental structure or society. I would simply lend my support to that direction.

**The Chair:** I'm going to ask, if I may, to the minister, if in his response to the issue of certification raised by Mr Beer, if he was as well—sorry, I keep harping back to this issue of the race relations ADM—but the degree to which you will be talking to the Ministry of Colleges and Universities with respect to enrolment of visible minorities, native university graduates to these programs.

This is a solution that Manitoba has been pursuing now for its fourth year, something the select committee on education put in its report three years ago, but we see no clear initiatives in that area which will assist school boards to hire additional teachers who can assist on the very sensitive issue of race relations. I think that was also part of Mr Beer's question. I'm looking to see if there are any current initiatives within your ministry or within the Ministry of



Colleges and Universities that you're aware of that are addressing those concerns.

1700

**Hon Mr Silipo:** Both as a result of knowing that this issue is a concern and also more recently as a result of it being raised again through the report of Mr Lewis, we are, in conjunction with the Ministry of Colleges and Universities, looking broadly at this issue and specifically the recommendations that are before us from TECO around a process for designating a certain percentage of spots in the faculties of education for people from various minority groups; looking at that issue in terms of how to best apply that kind of approach. That's something in which we will be embarking on some very serious discussions with the faculties of education and trying to make some decisions; obviously not in time to affect this next year, but I would expect in time to affect the following year's enrolment. That's something where I think you'll see some concerted efforts on our part fairly soon.

**Mrs Marland:** I'm sitting here recalling that it's soon going to be 20 years since I was elected to a school board. It's almost discouraging and a little depressing to realize that some of the problems that we faced as trustees 20 years ago are not only still there for school boards as administrators of the system and the professional teaching staff who work within the system, but those problems in fact have escalated.

When we touch on the subject of violence in the schools today, that's something that is terribly real and I think terribly frightening. It's interesting, because I know the Chairman and the minister and I have all been trustees—were you a trustee, Anthony?—and Mr Perruzza also. How many hundreds of hours have we sat around boardrooms in this province and talked about discipline in the schools? And how many times have we heard each other saying that discipline is the responsibility, first of all, in the homes? Sure, the schools have our children whatever number of hours a day in a month, in a year, in a lifetime, but it's got to start in the homes. We've got to remember that we have to accept all comers in a public school system. We can't say, "We'll only take the well-behaved kids, the good kids or the kids who have respect for discipline." We have to take everybody and we have to deal with them as they come through our doors. We don't have a way of saying, "We take you, not you; we take you, not you."

In so many homes, for children the word "discipline" exists in many different forms. Either it doesn't exist at all or it exists to the extreme, through brutality, or it's haphazard at best because of our socioeconomic climate; both parents have to work. So we're not dealing with a home environment that used to exist when we're dealing with the subject of who is responsible for teaching our young people what the word "discipline" means. As the home environment is not within our control—unfortunately, it isn't—I think we, as legislators, have a responsibility to deal with that area which is within our control. I think we have a moral obligation to address, as far as humanly possible, the whole subject of discipline and the fact that it exists in a vacuum in our educational institutions today.

When we talk about discipline, I'm using the word in my broadest interpretation of it; I'm using it in the context of everything that revolves around discipline. I'm talking about teaching young people to develop self-discipline. I'm talking about teaching young people to realize that within any environment we have to learn to control ourselves in order to deal with other people, and that means we have to learn somewhere to respect each other, whether we are at school, in our home or in our recreation environment as young people.

If these young people do not learn any aspect of discipline formally in school today, I would not want to estimate what percentage of young people would not learn anything about discipline at all. I think it would be a very high percentage and we would be even more discouraged if we looked at those potential figures.

I want to ask you, Minister, why do you think we have become so paranoid about fulfilling the responsibility that I see we hold for the teaching of discipline, the teaching of respect for human beings and the enforcement of those kinds of standards to which we all aspire for our young people? Recognizing, as I've said, that in a public school system we have to take all comers, I get tired of the people who tell me that the kids in private schools are better disciplined. Sure they are, because private schools can select who they take.

Our kids didn't go to a private school. Our kids went to a school where there were different standards of discipline in their homes than in those of some of their classmates. Admittedly, in our family I was at home until the youngest was 10 so I guess on that score our children were privileged, because they did have that experience at home. But my heart really aches for the kids who end up at odds with society as a whole because they've never had the advantage of learning either at home or at school what self-discipline and respect for other people are all about.

Now the train is going down this track so rapidly that we have a Safe School Task Force—I'm not sure if that's the exact name—established by the Ontario Secondary School Teachers' Federation. I know the chairman is a very capable young man by the name of Stu Auty, and I know the OSSTF developed that committee because there is a need. I don't think we can sit back one day longer and say, "We know there's a problem, and it is getting worse." I didn't know about the example Mr Beer just gave about a policeman now being assigned to a school in Ontario in 1992.

1710

If these things are all happening, and since it's compulsory for children to be in school until age 16 under the Education Act, when are we going to take responsibility, pick up the reins and say to those children who do not have the benefit of disciplined learning in their homes, "We are going to make an emphasis on teaching you that in the school?"

Along with that comes the question about how realistic we are with our children when they are in school. Are we fair to those children when we tell them they never have to have tests, examinations or benchmarks established where they have to be compared to anybody else because it's

only important they give their own best in terms of their own development?

Are we fair when we let those children swim in this ocean, never having to touch shore with reality or put their feet down, until they leave school and we throw them out into society and they suddenly discover they can't behave in the real world the way they've been allowed to behave in school, in terms of discipline, because it's not acceptable?

Admittedly, they can do it until they're 18, before they're free from the Young Offenders Act. But suddenly they're out in the new world, so behaviour becomes a problem for them because they've never learned that a certain standard of behaviour is required to succeed in this world of employment, whether they're working on the assembly line, in a corporation or in any other kind of employment setting. They suddenly find out that in the real world there is competition. They have to be measured against their workmates in order to succeed. They have to have somebody better than them in order for them to have goals to achieve.

Yet we allow, and are allowing it more and more, children to go through our educational systems without any benchmark of where they're moving in terms of their academic success. We allow them to swim through this open water without ever saying to them—I mean in real terms—"That kind of behaviour will not be accepted in this school or in this school board jurisdiction. If this is how you're going to behave, because that's how you're allowed to behave at home and outside of this building, I'm sorry, it's not acceptable here. This is what we tolerate here."

How impossible is that? How do you feel about that, now that you're at the helm of this Titanic, after having been at the helm of the school board? You come from the same base of experience and concerns, I'm sure.

**Hon Mr Silipo:** It remains one of the most difficult and yet one of the most important issues for us to grapple with. As you were talking, I was thinking about the kind of discussion we got into yesterday, I believe, in this committee around the issue of the distinction between standards, objectives and benchmarks—to use the word that you've used—on the one hand and, on the other hand, the whole debate on the program side around teaching methodologies.

I shared with the committee my sense that part of the problem we have is that the line has become fudged. It's a question of standards, ones on which I believe we can get fairly wide agreement in terms of not being afraid to say that here are some things our young people should be able to do at various points in their academic career. We can leave that separate from the issue of the teaching methodology around how best to do that.

The approach we've seen in our school system over the last number of years around perhaps a less hierarchical teaching structure, to use that general term, has been translated either in people's minds or in reality, but I think more in people's minds, as an acceptance by the school system of a reduction or lowering of standards and expectations. I think we have to deal with that perception and that issue, and in my view the issue of violence is really a chunk of that, because the kinds of things we are seeing are in some measure, if not in large measure, an expression by young

people of the frustrations they have. That doesn't justify it, but it maybe explains some of it.

When we come back to this issue of discipline and self-discipline in respect of peers that you've talked about and standards of behaviour, it is completely acceptable and desirable for us to be setting out very clearly within our schools the kinds of behaviour patterns that we believe are acceptable and are not acceptable. That doesn't conflict at all, in my view, with also continuing to encourage very innovative ways of teaching and learning practices that our young people should be exposed to.

I think we've got some of the structures already in place. I was just checking to see if I remember correctly that the provisions we have in our schools for codes of behaviour to be developed, involving students as well as teachers and others in the communities at secondary schools and even in elementary schools, is a provision that exists throughout the province.

It isn't that we can't write those things down and involve people in defining what they are, because that's happening. I think the question then comes back to how, through the experience of everyday teaching practices and through the kinds of experiences our young people have outside the classroom, which we know is also fairly significant, they continue to feel that they are in an environment which nurtures those principles of self-respect and self-discipline and respect for others. When we talk about the skills we need to equip our young people with to deal with and live in the kind of society we live in today, in terms of equipping them to become good and effective citizens of our society, those really are part and parcel of the kinds of basic skills that are there.

We need to start to see that those are indeed some of the key issues we need to address, not in a rigid, regimented type of approach but just in the way in which schools live on a day-to-day basis; that we can inculcate those kinds of values in people. We seem to be somewhat afraid sometimes to talk about such things as values which are generic and which cross religious lines. I think we need to try to state some of those things in very clear ways and not shy away from them.

**Mrs Marland:** Excuse me for watching the monitor, but I'm the next speaker so I will be leaving shortly.

You were chairman of the separate school board, were you not?

**Hon Mr Silipo:** Public board.

**Mrs Marland:** Oh, it was the public board. It's never a popular thing to say, but unless it's changed in the last five or six years, and I doubt that it has, it's fairly accurate to say that in the separate school board, for whatever reason, whether it's the curriculum or the emphasis that is put on the religion of that board—parents have told me so many times that the standard of discipline is greater in the separate schools than in the public schools. That's not something said only five or six years ago; it's been said for a long time.

1720

That gives me a lot of concern, because it's the same animal-vegetable matter we take into these two school



boards. They're young children who, outside of the board, are exposed to the same things, those things that we cannot control, like media violence. Is it 15 years ago that we had the Judy LaMarsh Royal Commission on Violence in the Communications Industry and \$4 million was spent to tell us what we pretty well knew? Those are things the Minister of Education cannot control. You can't control outside of the school day what those children are exposed to in their homes, on the street and in their recreational modes, whatever they are.

While we have them as a captive audience, I hope we can try to feed them with something counter to those terrible experiences children are exposed to now so that when they come into the school they know that what they've seen on television is not real life but a story, that it is acted; that all the violence they see in stories is just not acceptable in our publicly funded school systems, just as it's not acceptable for those children whose parents are wealthy enough to send them to private schools.

It's unfair that children in our society today who have parents who can afford to send them to private school—I don't ever suggest that they have an academic advantage, because I've never had it proven to me that there was an academic advantage to going to private school, but there is the social advantage to being taught what is acceptable behaviour in terms of each other and their own development of self-discipline.

I think we have an obligation for those few hours a day to try to tell the children who come through our public school doors at any age what is acceptable and what is not, and I think that, more than anything else, is an area in which we are failing. I don't go along with this business that we have the worst school boards, and I don't go along the general overall criticism of the end product coming out of our schools in terms of their academic abilities, but I sure do go along with the criticism that we don't give them enough emphasis on what living with other people on this planet is all about. I think it's unforgivable that we fail in that area, because those children are disadvantaged when they go out into the workforce and try to succeed. They may be very clever, but they don't have the skills of dealing with people in human terms. A lot of them have never had that taught to them at home and we fail them if we don't teach it to them in school.

**Hon Mr Silipo:** Let me say again that I agree with the general thrust of your comments. When I was talking before about outside the classroom, I was referring not to things we can't control but to the kinds of experiences students have in extracurricular activities and the important role those things play in a young person's life as well in terms of their growing and learning experiences.

I guess the only other thing I would say is that I'm not sure one could generalize and say that when you compare separate schools to public schools, there is that result. I agree with you that the perception is there; I honestly don't know whether the reality bears the perception out or not. I agree with the overall sense you've expressed about the need for us, perhaps better than we are doing now within our school system, to look at these questions of discipline, I think in the way you've expressed it, in terms of acknowledging

that we have a responsibility also through the school system to do what we can to encourage and nurture an environment in which our young people will live which respects not only their own abilities and what they can do, but respects their peers and recognizes that we are all members of a society and that that entails certain responsibilities as well as certain rights that obviously we grow with.

That kind of notion of citizenship and that overall responsibility is something that I see we perhaps can continue to put a bit more emphasis on. It has to be something that is integrated as much as possible into everything else we do within the school system and within the kinds of experiences that our young people go through in their school lives.

**Mr O'Connor:** Just a bit of a story, following Mrs Marland's analogy about discipline. My son, who is five years old, just finished graduating from junior kindergarten after going through toy library and play school and story time and what not. I think junior kindergarten's a super program. One day at supper time, he told me, "Dad, I had to sit in the thinking chair." I realized that the thinking chair was some form of discipline, so I asked him what it was about; he'd gotten into an argument, a bit of a scrap, with one of his classmates over a sandbox toy. So I asked him, "What did you do when you sat in the thinking chair?" He said, "I thought about it, Dad." I asked him, "What did you finally decide?" He said, "Next time, Dad, I'm going to be faster." I thought that's an honest answer. "What happens if you're not first, Patrick?" He said, "Well, Dad, next time, whoever gets there first gets to have it." So that teacher's method of discipline seemed to have worked, and maybe it reflects on some of the parenting of me and my spouse.

Further on junior kindergarten, I know there are some boards that are a little slow in moving in that direction. Having seen my son coming through the junior kindergarten program and learning how to share a little better, I think it's very important to have that chance for that interaction, communication and that social skill at an early age. I think it's a necessary program and I hope you're going to be encouraging boards that don't have a junior kindergarten program to continue with that pursuit. Perhaps you'd just like to comment on it briefly.

**Hon Mr Silipo:** Very much so. It's unfortunate that Mrs Marland left us because I'm sure she would have brought us back to what's happening within her own jurisdiction in this area.

**The Chair:** She'll be right back, but I have a question for you.

**Hon Mr Silipo:** I'm sure it'll get covered by someone.

We continue to believe and I continue to believe very much that junior kindergarten is very valuable, a program that really provides a very useful headstart for our young people. It's something we need to continue to move on. We have legislation, as you know, in front of the House now that would make it clear that school boards will be required, as of September 1994, to provide junior kindergarten programs.

It's interesting to note that despite some of the reservations some school boards have expressed, the vast majority of boards are already offering the program and have done so for some time without legislation requiring them to do so. In some of the boards, where there are some concerns, we've indicated to them that we're quite open to looking at a variety of proposals they might want to put before us and discuss with us around ways other than the traditional method of delivering the program. That's something we're looking at.

I've said on more than one occasion that we already have one school board—the Grey county board—that has submitted such a proposal. There are discussions continuing between our officials and the school board around that issue. Overall, I know, Mr O'Connor, that the school board in your jurisdiction has some concerns about this, but that's something, as I say, that we're intent on proceeding with, while at the same time being open, as I've indicated, to some innovative ways of putting the program together that may be a little different from the traditional form of delivering the program.

1730

**The Chair:** On that point, if I might ask a quick question, I notice that on July 3 there was an article in the *Kitchener-Waterloo Record* which said that the Wellington county separate school board has indicated it feels it may even defy the legislation and suggested there may be costs associated with that. The article quotes the director as saying there'll be about \$3,800 in grant money per classroom. I wonder, Minister, if in fact you've articulated in a memo through your regional offices or indicated what the penalties for non-compliance with this legislation might be at this time, or how would a director be able to suggest what cost might be associated with non-compliance? I was fascinated by the reference in this article.

**Hon Mr Silipo:** No, we haven't done that. I think we work on the assumption that school boards respect the laws of the province. Whether people agree or disagree with those laws, once they're in place, those laws are adhered to. I'm not sure I would want to put out a memo indicating what the consequences are if school boards defy the law, but I would certainly tell you that I will deal with those situations in ways that would start from the premise that the law is there, once it's adopted, to be respected.

**The Chair:** One other quick question, if I may: You're suggesting that if school boards came up with reasonable proposals and there was cooperation and so on, you'd consider them. As you know, your government has indicated a preference for the non-profit sector in day care. There are several day care centres in my jurisdiction with available space that are being run by early childhood educators and not by ECE graduates. These people are eminently qualified to teach in the system. Have you made any firm decision for your ministry that you would reject the proposal of working in cooperation with the private day care centres, which in my jurisdiction, incidentally, have early childhood educators and teachers running the current day care centres?

Would you object to proposals that involved, in part, cooperation between both elements of the day care sector, or are you predisposed to not working with that group, and would you impose on your school boards what the Minister of Community and Social Services has imposed on municipalities with respect to access for their children?

As you know, there are many children who are kindergarten age in this province who are attending full-time day care and receiving subsidies, and that's perfectly within the law. The advent of junior kindergarten creates almost a year-and-a-half access point for children to receive kindergarten services in a day care setting. That's both legal—well, you understand the nature of my question here.

**Hon Mr Silipo:** I'm not sure we could envisage a situation in which there would be a role for private child care centres in a combination of efforts in terms of anything that we would be involved in in providing funding, or that school boards would be involved in in providing funding. I think we would have to be consistent with the policies we are applying. That isn't to say that school boards on their own could not look beyond, obviously, the provision of the junior kindergarten program, couldn't look at whatever links they wanted to make with anyone else, but I think we would have some problems with an approach that would involve, as part of the delivery of a junior kindergarten model, private child care.

As I say, I think it would not be consistent with some of the key principles we have, which are that while we certainly respect people's rights to have private child care, we are talking here, through the junior kindergarten provisions, about expanding in effect an aspect of school programs. In that sense I don't believe the private sector has that kind of a role to play in direct delivery service.

Are there pieces that could be looked at? I would have to see. I'm not sure to what extent you're suggesting that could or should be possible. But I think our departure point would have to be that we'd have grave reservations about that.

**Mr Beer:** On the same subject of junior kindergarten, I just want to note for the record that this program initiative had started with our government—

**Hon Mr Silipo:** Absolutely.

**Mr Beer:** —and we continue to support that initiative. That being said, I would just like to underline and perhaps play back to you, Minister, the words you expressed somewhat earlier in terms of working with those boards that don't as yet have junior kindergarten programs. It is quite true that many do, and that some have had those programs for a long time.

There's no question in my mind in terms of what I have seen in a number of different boards, both rural and urban, where the introduction of a junior kindergarten program has had a very positive impact on making for a more equal playing field in terms of the access of young children to learning in, as I say, both rural and urban situations. But I'm also conscious, I think, that in a number of boards that don't have it, bringing that program in adds costs, and there are some other problems, which I don't think are insurmountable but where perhaps an overly



rigid adherence to a legislated timetable may cause more problems and not really help us in meeting the goal.

I think that sometimes the best way in dealing with this is to work closely with the individual boards to see what the specific problems are and then to try to sort those out. That's not always easy to do, and I think this is a place where there are some boards that just don't believe in junior kindergarten. They just think pedagogically, and for a variety of social and other reasons, that we should not be doing that. I respect that view. It's not one that I share, but I think there are problems that boards have on the cost side, where legitimately the problem around the transfer payments is a real impediment. I think you have a responsibility to work very closely with them on that, and I would hope that you would do, as I say, what you have expressed before this committee.

**Hon Mr Silipo:** Mr Beer, I certainly intend to, and I think that again I would draw the same distinction that I believe you have, which is between those instances where school boards are having some real difficulties with the concept, and therefore are against the idea on that basis, and those boards that are having difficulties with the implementation because of financial or other reasons. Without getting into an elaborate response on that, I certainly would be, as we have indicated. I think our willingness and our working with boards like the Grey county board is a reflection of that interest in trying to look for solutions where there's an interest expressed in looking for alternative solutions to a problem that's there, and to some innovative ways of delivering the same objective.

We'll continue to do that with any and all boards that show that kind of interest. At the same time, we obviously need to continue to do our work with respect to making sure that funds continue to be present to provide both for the capital needs that are there, that will be there in some cases, and we continue to provide some additional dollars to school boards that are startup funds to help them set up the programs and get them going, and then obviously with respect to the funding formulas to sustain the programs.

There is funding available now. People may argue how adequate that may be, but there are additional funds available to assist school boards with this process of starting these programs up, but we'll continue to work in those specific instances where people are really interested in doing it.

**The Chair:** If there are no other questions at the moment, perhaps, Minister, you might take a brief moment to summarize and then we'll proceed to the votes. I believe we have unanimous consent to proceed through our votes. We anticipate being called to the House within the next five minutes.

**Hon Mr Silipo:** I think I can make my summary relatively brief. I want to say first of all that when I first heard the Ministry of Education was on the list for estimates, I wasn't quite sure what that meant, not having been in this place before. As we went through and tried to prepare, as you can see from the massive briefing books etc, I quickly came to the realization that what we would likely get into,

and what I was actually hoping we would get into, would be the kinds of discussions we really had. Looking at estimates and budget lines is one thing, but what really is important is looking at the issues that those lines on the budget and the budget estimates reflect.

I want to thank the members of the committee, and you, Mr Chair, for the courtesy expressed to me and my officials, but also, more significantly, for the exchanges we've had. I found this quite enlightening and useful and a good reminder of the things we need to keep on our agenda at the Ministry of Education and that are very much on our agenda.

I really appreciated the frank exchanges we've had and I think in that sense I hope it reflects a spirit that will continue to be there, and that certainly I'm interested in continuing to nurture as Minister of Education between all members of the Legislature in terms of involving people in these discussions, encouraging this kind of back and forth and trying to continue to work together to the extent that we can to continue to improve the system of education in our province.

**The Chair:** On behalf of the committee, may I just simply say that we appreciate the fact that both you and your staff were very quick to come forward with the responses this committee requested. This has not been the pleasant experience we've enjoyed with other ministries. There are some we did almost two months ago and we're still waiting for their responses. So I think it's important that on behalf of this committee, we thank your staff for their very quick and immediate response to our questions. It is helpful to the process, but it also respects the work of the political process. I was very pleased to see that level of cooperation. I want to thank your deputy and all your staff and you, personally, for that on behalf of the entire committee.

I believe, since we have a consensus and we've given sufficient time to these estimates, that we'll proceed with the votes.

Votes 1301 to 1303, inclusive, agreed to.

**The Chair:** Shall the 1992-93 annual estimates of the Ministry of Education be reported to the House?

Agreed to.

**The Chair:** I should just like to say that since the House leaders have not indicated to us whether or not the House will be sitting next week, I believe we've not really given the Ministry of Housing adequate time for us to proceed. At best, we may not even complete part of those Housing estimates.

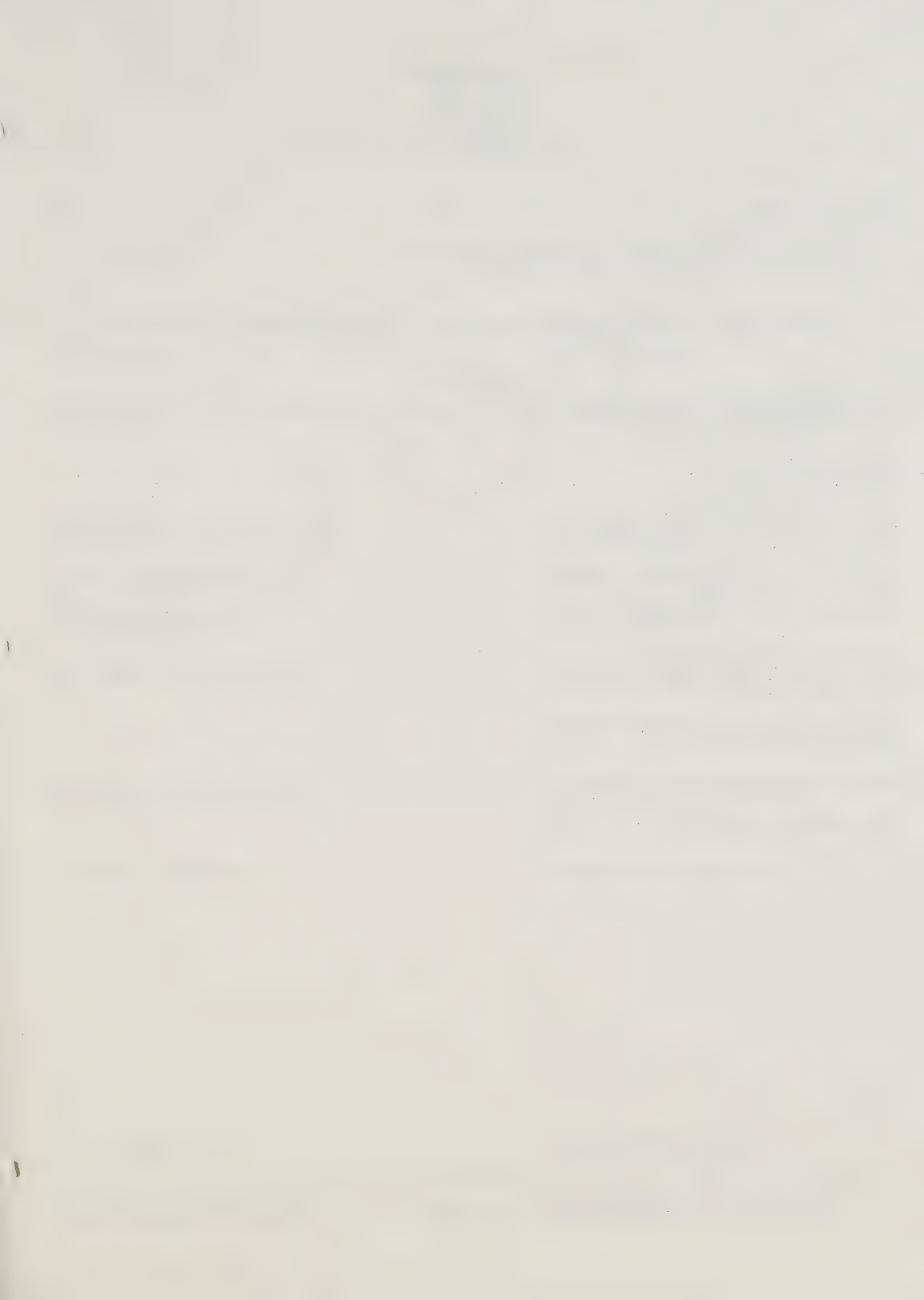
I believe it's appropriate that we break at this point in order to reconvene either during the summer recess, in accordance with this committee's letter of request to the House leaders, or when the House reconvenes on the first Tuesday following the return of the Legislature this fall. If there are no questions about that, then this committee stands adjourned until that time.

The committee adjourned at 1744.











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## STANDING COMMITTEE ON ESTIMATES

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- \* Sorbara, Gregory S. (York Centre L)

### Substitutions / Membres remplaçants:

- \* Beer, Charles (York North/-Nord L) for Mr Sorbara
- \* Ward, Brad (Brantford ND) for Mr Frankford

### Also taking part / Autres participants et participantes:

O'Neill, Yvonne (Ottawa-Rideau L)

\*In attendance / présents

**Clerk / Greffier:** Carrozza, Franco



## Legislative Assembly of Ontario

Second session, 35th Parliament

## Official Report of Debates (Hansard)

Monday 24 August 1992

**Standing committee on  
estimates**

Ministry of Housing

## Assemblée législative de l'Ontario

Deuxième session, 35<sup>e</sup> législature

## Journal des débats (Hansard)

Lundi 24 août 1992

**Comité permanent des budgets  
des dépenses**

Ministère du Logement



Chair: Cameron Jackson  
Clerk: Franco Carrozza

Président : Cameron Jackson  
Greffier : Franco Carrozza

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# LEGISLATIVE ASSEMBLY OF ONTARIO

## STANDING COMMITTEE ON ESTIMATES

Monday 24 August 1992

The committee met at 1210 in committee room 1.

### MINISTRY OF HOUSING

**The Chair (Mr Cameron Jackson):** In the absence of a gavel, I would formally open and commence the standing committee on estimates. We have been asked by the Legislature to convene five hours of hearings on the estimates of the Ministry of Housing. We welcome the minister, the Honourable Evelyn Gigantes, and her acting deputy, Ms Anne Beaumont.

As per our standing orders, the minister has up to 30 minutes to make her opening presentation, followed by the official opposition and the third party, each with half an hour, and then summary comments of the minister. We will complete our estimates by 5 o'clock today and we will stack all our votes until that time. Seeing no questions, I hand the meeting over to the minister. Welcome, and please proceed.

**Hon Evelyn Gigantes (Minister of Housing):** Thank you, Mr Chair. I will try to be as brief as possible, because I think this is a time which really should be available for questions from members. But I would like to begin by a very brief environmental scan, as it were, of what's happening in housing in Ontario.

You've been given a package of what we've called slides, for want of a better word. We decided not to set up the equipment and machinery because it's too time-consuming. I'd like to run through these slides to begin and then make a few short comments.

The first two slides, members will see, relate to people: our population growth rate in Ontario and what's been happening with migration. We are looking at a situation where we expect that migration will continue to be a very large portion of population increase in Ontario over the next few years. Currently, it runs at about 47% of the growth in population.

The next three slides talk about households. On slide 3, we see the average number of persons in households in Ontario, which has been going down consistently. On slide 4, you can see that the absolute number of renter and home owner households has increased steadily over the 30-year period. There are now 3.6 million households in Ontario. There has been an increase in the level of household formation following the baby boom, and there is a trend towards smaller households. The rate of household growth currently is about double the rate of growth for the population as a whole. Slide 5 indicates the rate of household growth in a kind of overview nutshell.

Slide 6 gives you an indication of the amount of space there is physically within the homes of Ontario households. Obviously people are using more space per person than in the past.

On slide 7, we're looking at projected housing requirements. We are at a peak period right now and expect to continue at the high level of housing requirements through the period to the mid-1990s, at which point we expect there will be a dropoff beginning in terms of the growth of demand.

Slide 8 gives us the composition of renter and owner households in Ontario. You will note that single parents in particular tend to be renters and that most of the home owners are what we would call the traditional family, either husband and wife or husband, wife and child. But there are a number of other household groupings which are of increasing importance in Ontario.

Slide 9 tells us the age of householders, and of the household head in particular. There we see what we know about the demographic makeup of the Ontario population, which is that there is a bulge in the middle age range—you could call it the lower middle age range—between 25 and 45.

**The Chair:** We're in that range.

**Hon Ms Gigantes:** Yes, we are; we're in the bulge. As the Chair has pointed out because of his background in being the critic for seniors' affairs, the seniors population is one which is growing.

Slide 10 shows us that about a third of households are rental households. It's actually more than a third; we're talking about 36.2%, to be as precise as we can, of the total 3.6 million houses being rental units.

Slide 11 gives us an overview of what's been happening in housing starts. Of particular interest, we certainly can note the peaks and valleys that go with depressions and booms, and we trace that back for the most recent period of the 1980s. But we can see along the bottom line, which is the heavily shaded portion, that the starts in rental accommodation have been relatively consistent over that period. In fact, because we don't count condominiums which become rental units as rentals, we've been looking at a pretty steady flow of starts of rental housing over the last 10 or 15 years; in fact, since the 1977 period.

Slide 12 gives us an indication of the amount of the rental stock which is made up of socially assisted housing of one form or another. That has gone through peaks and valleys too, and it is currently at a fairly high level, probably as high as it's ever been, as a proportion of the overall rental housing starts.

Slide 13 gives us just a four-city view of what's been happening with rents. We can see that in the larger cities of Toronto and Ottawa, rents have been rising at a more steep rate than in places such as Thunder Bay and London.

Slide 14 gives us an overview of the prices of houses for purchase in those four communities. Here we have seen, in the Toronto area in particular, an enormous peak in 1989, which has been coming down, but the cost of buying



resale housing in Toronto is still extremely high compared to other areas.

Slide 15 gives us a percentage of unsubsidized renters. These are people who are in the private rental market who are paying over 30% of their income in rent. That reached a peak at the height of the housing cost situation that we saw in the late 1980s. It is coming down, or has come down to 1990. I don't believe we have figures for 1991 yet; let me doublecheck. No, those are the latest figures we have available from Statscan.

Slide 16 shows us the changes—some of these can change quite sharply; it looks to the lay reader as if there are peaks and valleys that are quite adjacent to each other in terms of short time spans—in the per cent of renters who can afford to buy a home. The assumptions on this slide are that the proportion of down payment required would be 10%, that there would be a three-year mortgage and that the gross debt service ratio that the home owner would be taking on would be 32%.

Slide 17 gives us a view of who owns houses with no mortgages. As one might expect, it is the group 65-plus, and in fact the older group from age 45 on, which has the highest percentage of household ownership without mortgage.

I thought those would be of general interest to members of the committee and I'd be pleased to answer questions on that later.

1220

I will take a few more moments and sketch out a few brief thoughts on the work we've been doing in the Ministry of Housing.

The overall goal in our housing policy is to provide housing that supports individual health and community health. We see this as requiring us to make sure we have effective production and management of housing, that there is consumer protection and empowerment, that we are achieving economic renewal and prosperity in our housing policy, that there is a community responsibility for housing.

We feel that in less than two years in office this government has indeed accomplished a lot. We started from a base that was given in government policy and government programs, but we have taken new initiatives which I think are worth noting at this point. There was, as members will recollect, a wide public consultation on the ways government could play an active role in housing. We called that the Housing Policy Framework. The title was disputed, I think with some justice. In the response we will provide to that consultation, we'll try to adjust the title to better fit the exact nature of the consultation.

We also had a consultation on and enactment of new rent control legislation, of which, as minister, I feel very proud. We had a consultation on the appropriate use of government land for housing, which has yet to report publicly. We've had a launching of local planning efforts within public housing communities in Ontario. We've recently appointed a full-time chair to the Ontario Housing Corp, Nancy Smith. We've announced that 20,000 non-profit homes will be built over the next three years under the Jobs Ontario Homes program, and there will be 2,400

jobs associated with that program in this fiscal year. That announcement, of course, came with the last budget for the fiscal year 1992-93.

We have completed commitments for the 10,000 units which were announced in the 1991-92 budget. We have completed commitments for the 30,000 units of Homes Now, P-3000 and P-3600, and we added an additional 1,800 units which were funded in the Homes Now program, because we found that land costs were lower, interest rates were coming down and construction costs were better.

We have completed the commitments for 3,600 units funded through the 1991 federal-provincial housing program. We had successful joint efforts with the building industry to have the federal government budget include the release of RRSP savings for home purchases and to get federal agreement to lower down payment requirements for NHA mortgages to 5%, and those have had an immediate stimulative effect on home purchases in Ontario and across the country.

We've had legislative progress on amendments to update the Building Code Act. At the Ministry of Housing we've had an internal cost-management process that has seen quite a reduction in operating expenses, which I will take just a few minutes to speak about right here.

We've taken a number of steps to reduce the ministry operating expenditures last year and this fiscal year. By reducing staff travel, by reducing use of consultants, purchase of furniture, information, technology and vehicles, we were able to save \$5.3 million in other direct operating expenditures in 1991-92.

By slowing staffing activities and reducing actual hiring, we reduced the salary expenditures of the ministry by \$3 million to absorb the cost of salary awards in that year, and therefore we didn't have to request additional funding for this purpose. A further salary saving of \$2.3 million was also achieved through these measures.

For 1992-93, through similar restraints on staffing, purchasing, travel and so on and redeploying staff and other resources, we're hopeful that we'll be able to accommodate the financial pressures such as the additional cost of rent control transition from our existing allocation.

As another measure, through careful investment and management of the CPP funds borrowed for the Homes Now program, OHC and the ministry were able to provide an additional \$25 million in revenue to the Treasurer. The money was earned during the period of the drawdown of funds from CPP and the advance of the mortgages. We have staff from the ministry of finance section here who'd be happy to answer specific questions around our financial cost-management efforts.

I'd like to take just a moment to welcome back one critic from Barcelona—I hope you had a wonderful time there, Margaret—and to express my personal thanks in public to both critics from the opposition parties. I think that their hard work and their contribution to public discussion of housing in this province have been recognized widely. I'd also like to thank many members of the Legislature on both sides of the House whose interest in housing policy and housing issues reflects well on their desire to see an Ontario in which we all feel proud that we

are healthier as a province because individuals and communities are living in decent, affordable houses.

I'd like to express my thanks to Margaret Harrington, who has acted very capably as parliamentary assistant to the Minister of Housing, who is prepared to answer questions in her areas of special work. I'd like to also express finally my very great thanks to members of the staff of the Ministry of Housing, who have worked longer and harder and in a more dedicated fashion than I think anybody has a right to expect over the last two years, which have been a very active period in the Ministry of Housing.

So with that, Mr Chair, I'd be pleased to try and either answer questions directly or get assistance for members from staff who will answer more capably than I.

**The Chair:** Thank you, Madam Minister. I would like to now recognize the official opposition and the Housing critic, Ms Poole.

**Ms Dianne Poole (Eglinton):** Thank you, Mr Chair. I do appreciate the opportunity to put the position of the Liberal caucus on the record, as well as an opportunity to ask the minister some questions about the performance of the Ministry of Housing in addition to some of the plans and the ongoing plans of the Ministry of Housing.

It was about 14 months ago that the NDP released the Housing framework paper, discussion paper, and since then we've heard nothing on that particular subject. Instead, in particularly two areas, rent control and non-profit housing, the government has gone ahead making fairly major steps without having a comprehensive, overall framework. It's going to be quite intriguing to find out and to ask some questions during these estimates hearings about why they're bothering to do a framework after the fact, when in the meantime they are making very significant policy changes. Does it not make sense to have your comprehensive policy and framework in place first? So we have been quite anxiously awaiting the results of that discussion paper, and so far all we've heard is silence.

Unfortunately the NDP government has decided that all the complicated housing issues that Ontario's society faces can be solved with two programs, and those are rent control, to squeeze out private sector rental housing, and non-profit, because the NDP seems to want everybody to live under one government-owned roof.

I would like to point out at this time some of the initiatives taken by the Liberal government during its term, which I think will illustrate that there was a broad range of creative solutions to housing that were instituted. We were not focused only on two areas; we were trying to deal with many problems in many different creative ways.

One of the things we did as a Liberal government was update legislation regarding tenant protection, whether it be in areas such as pet ownership, unnecessary renovations or rent protections, at the same time—and this is very important—recognizing that balance that the landlord had to be able to maintain the building.

1230

We also introduced legislation which has been widely heralded as very successful to protect existing rental housing stock from conversion to condominiums.

We developed the land use planning for housing policy statement to guide municipal planning approvals to encourage affordable housing. Again, this is an area in which the ministry has been strangely silent as to enforcement of this policy which was introduced by the Liberal government several years ago.

We, as a government, expanded the convert-to-rent program to encourage the construction of new rental stock out of existing buildings. There were interest-free loans to encourage the construction of private rental stock under the Renterprise program. There were rent supplement allocations for Renterprise and convert-to-rent projects. Again, the rent supplement is an area we plan to go into in some length with the minister.

This is a very important area where we had innovative programs—that is, rehabilitation assistance for both existing low-rise and high-rise rental stock. In particular the low-rise rental building renewal program was utilized quite extensively, and in fact it is my belief that that is now on the wane instead of on the increase, where I think it should be.

We developed a building industry strategy in conjunction with private sector builders to encourage private construction. And of course we had ongoing federal-provincial non-profit housing funding.

We began the 30,000-unit Homes Now initiative, which the NDP government has been in the throes of completing.

We developed loan guarantee programs to help non-profit organizations secure funding. There was new funding for emergency shelters and the establishment of regional access to permanent housing committees to help deal with homelessness for people who could not access other traditional programs. There were home-sharing programs.

There was a policy put in place which would give women who had been in a violent home situation first priority on Ontario Housing Corp waiting lists. I think those types of programs were very helpful in getting people into affordable housing and into alternative housing situations.

There was support for amendments to bring roomers and boarders under Landlord and Tenant Act protections. In fact, the current minister has continued that direction and has brought forward legislation to provide that type of protection.

Surplus lands were allocated to provincial housing initiatives under the Housing First policy. The Ontario home ownership savings plan was instituted to help first-time home owners buy their homes. This again is an area where the NDP has not continued this initiative and has really neglected the home ownership area.

There were land transfer tax refunds for low-income home buyers, another expansion of a program for home ownership and an expansion of the Ontario home renewal program with a special added emphasis on helping the physically challenged to meet their special housing needs.

We developed new partnerships in housing projects with major partners such as the city of Ottawa's residential and housing cooperative agreement, with the city of Toronto, and with a number of various church groups.



We renewed commitment to the development of Seaton, and again we have heard a resounding silence from the NDP government as to whether Seaton will proceed.

There was the development of innovative housing projects such as StreetCity. Again, that is something that was developed down in the Ataratiri lands that we haven't heard much about. I think it was an excellent and very successful idea.

We initiated new infrastructure planning under the Office for the GTA. We added substantial increases in welfare shelter allowances.

The list goes on and on, but I think the point of the list is that it shows the Liberal government understood the diverse range of housing solutions that are necessary. At the same time, we see that the NDP is insisting on chopping back successful programs like convert-to-rent, low-rise rehabilitation, the Ontario home renewal program for disabled persons and others. While the government can always find money to help out its union friends at de Havilland, at the same time we look at welfare families' shelter allowance increases, which are well below inflation.

The minister will be proudly talking about her budgetary increase throughout these estimates, but the minister knows and the Ministry of Housing knows that not one of the 20,000 new non-profit units in the budget will be built this fiscal year. The minister knows the major increase in her budget is for new subsidies to previously announced and recently completed Homes Now units established by the Liberal government. The NDP's promises of new non-profit housing for tomorrow are a sham to escape dealing with the housing problems of today. Quite frankly, if you're not a co-op or a union, this government is not interested in hearing about your housing problems or your projected solutions.

The NDP has not yet taken any action to reduce the cost of both non-profit and private housing in the approvals process. The NDP has appointed John Sewell on a three-year mission to search out and explore new planning restrictions and to go boldly where no red tape has gone before. At first, building representatives were encouraged by Sewell's comments, but now they are afraid that his job, highlighted as a key environmental initiative in the recent throne speech, is only going to make things worse.

The NDP has also appointed Dale Martin to cut some red tape, but we have no indication as to how successful he has been. There have been no progress reports on his work, at least not to us. However, his jurisdiction is primarily with specific government-related projects that catch the Premier's eye. Private sector housing developments are being put to the back of the line while the NDP's pet projects get priority.

There are two issues in particular that we wish to explore during these estimate hearings. One is the area of the Rent Control Act and what is going to happen there. Bill 121 has now been passed into legislation, so it will be important to see if the backlog is going to disappear, as promised, and if tenants will never again have a care as far as housing in this province is concerned, as promised. It will also be interesting to see what the cost of the new

bureaucracy is going to be, how effective the training process will be for that bureaucracy and whether in fact we are not making a far more complex and compounded system instead of the simpler system that was originally proposed. We certainly have questions in that area.

The NDP had promised to deliver a full rent control system, but then it came out with Bill 121, which pleased neither landlords nor tenants. I am not going to reiterate the NDP campaign process. I can't vouch that my colleague Mr Mahoney won't slip it in, but I know you've all heard it too many times, and what they delivered bore no resemblance to their campaign promise.

Unlike the NDP, our caucus spent a lot of time listening to tenants and landlords and trying to correct this very flawed bill. The NDP government should be warned that over the coming months our party will be monitoring the implementation of the Rent Control Act very closely. We do hope the government will be willing to make necessary changes as serious defects in the legislation become evident in practice, as they were to us when we were reviewing the bill. Again, we will be using the estimates to ask some questions about the Rent Control Act.

Another area we wish to explore will be the controversial area of public housing, social housing, co-op housing. As I mentioned, the NDP government announced 20,000 new non-profit housing units over the next three years. What it hasn't told us is that it's cutting back on other programs.

It is very important to understand that the budget's Jobs Ontario Homes program will not produce new construction this fiscal year. It was billed in the budget as doing that, part of the Jobs Ontario Homes program, but it will not build those units this year. It is impossible for it to build those units this year.

We think it is laudable that the NDP is trying to support construction through a recession, but I can tell you that Jobs Ontario Homes will not help now, and now is when the economy desperately needs it.

If the NDP were really interested in supporting the economy now, what it could have done is assist ownership housing, with a more immediate impact on construction instead of the bureaucratic delays of complex non-profit housing approvals.

#### 1240

One of the problems I've had with the way the government has moved in the non-profit area is that it has taken no pause to assess what's happening. They picked up on the Liberal government's 30,000 Homes Now project to complete that, but instead of pausing at the end of that to see how effective the program was, whether there was red tape that could be cut, whether there was needless bureaucracy that delayed the time frames for the non-profit housing, whether there were ways the moneys could be spent more efficiently, instead of having that assessment period—and it need not have been a prolonged one, but to see if the needs of the people were being met now—they barrelled right into another 10,000 in last year's budget and now another 20,000 non-profit units promised in this year's budget for the next three years. Yet there has

been no assessment, and we are waiting to see some of that red tape cut out of the process.

**Mrs Elinor Caplan (Oriole):** Don't hold your breath.

**Ms Poole:** My colleague from Oriole says not to hold my breath. I think that's wise advice. We would have liked to see some of that bureaucracy and red tape cut out. There are so many mechanism checkpoints at the Ministry of Housing where it is duplicating municipal or zoning by-laws where it's taken care of at another level of government, where it is sheer duplication. It is adding astronomically not only to the time for completion but also to the cost of these units. That's the type of thing we wanted reassessed. We wanted that done, and it hasn't happened.

The other side of it is that the NDP has announced this program to try to get construction this year, but the real problem is that the NDP's anti-business policies are restricting new construction. Nobody wants to build private rental units under the NDP's Bill 121, for instance. The landlords do not trust this government; the development industry does not trust this government; the business sector does not trust this government, and investment is no longer flowing. It is a very sad fact that unfortunately has had major ramifications not only for our housing sector but also for the economy.

The NDP is continuing to study additional capital gains and real estate taxes, even in the face of the Fair Tax Commission's recommendations against measures at this time. That was the business sector talking on the Fair Tax Commission's task force.

The NDP seems to believe that the way to kickstart the economy is to put more people on the government payroll through non-profit housing construction or other capital spending, but I think that's naïve. Government can create, can play an important role, but it has to understand that it does not need to provide the jobs. What they need to do is create a favourable business climate and a favourable investment climate so that the private sector provides the jobs, and that is what we are missing.

One final point; at the end, I will give a list of areas we would like to explore with the minister, but that is with regard to the Ataritari situation. I guess the minister learned at first hand how red tape can delay a once viable initiative. But if one of the big holdups was the soil contamination, that soil contamination still exists in the middle of a major city and has to be dealt with. Regarding the cost to do it, are you not just mortgaging the future? Are you just not saying, "Put it off to the future," where it's going to cost even more?

It's interesting to see that the NDP is continuing with its plans to build non-profit housing on the Toronto Islands even though it faces the same kind of flood restrictions as Ataritari. Again, that's an issue we'll deal with more fully in our questions.

Just to let the minister know, our questions will relate to rent control, the public housing that I mentioned, basement apartments, home ownership, Ontario Housing Corp, disentanglement, the status of special projects, Bill 112 and rent-gear-to-income. That's a fairly comprehensive list. Any that we do not have an opportunity for in the

limited time we will certainly give to the ministry in writing at the end of the session.

I believe I have about 13 minutes left, Mr Chair, so perhaps I could allow my colleague Mr Mahoney to make a few comments.

**The Chair:** Are you sure 13 minutes are enough, Mr Mahoney?

**Mr Steven W. Mahoney (Mississauga West):** No, it's not.

**The Chair:** Give it a try.

**Mr Mahoney:** Thanks, Mr Chairman. Minister, recent announcements in my community have led people to change the reference to Housing Now to Housing Not, with a little bit of concern about the fact that there seems to be very selective use of allocations going to certain parts of the province. Indeed, areas where we have the largest increases in the waiting list are being ignored. I make that in part a question because I'd like your response, but really a comment and an expression of frustration on behalf of Peel Non-Profit Housing Corp, for starters, and the many other good non-profit organizations that are attempting to get rolling in Peel.

Perhaps it's an appropriate time, since today is the opening of the AMO conference, to ask you to respond to the concerns the municipalities have expressed, certainly to me and I'm sure to many members, about the government's attitude with regard to planning procedures and the intensification difficulties of basement apartments, the lack of ability of municipalities to effectively enforce their by-laws and to have any authority.

I know you may want to address some comments with regard to rights of entry and that type of thing, but this is a very real problem the municipalities are facing and will be a major part of the discussion at AMO today and tomorrow—also, the tax implications of numerous families and children from numerous families using the educational infrastructure and other facilities. I say that and tell you, Minister, that I personally am a supporter of a good program for basement apartments and some form of intensification.

But I think that clearly your government has failed to sit down and address—in fact when I asked you a question in the Legislature about the involvement of the municipalities, your answer was that they had been tremendously involved, only to receive a letter from Helen Cooper asking you who it was you were speaking to, because she said that they were not involved in those discussions. As the head of AMO, she's quite concerned about the lack of consultation in the area of intensification. It has a broad scope in the sense that it impacts on service levels and the quality of life in communities. I think they have very real concerns that there are solutions to.

There are many examples of large families in one household: young people still at home with many vehicles, this issue of being related or unrelated—the problem is not just strictly in the area of unrelated people living under one roof; it's the people who come in and divide houses up into numerous flats. You find single moms living with their children in units that simply have curtains separating them



and sharing bathroom facilities and kitchen facilities with numerous people in these illegal rooming houses. I don't see any attempt to give the municipalities the proper authority to deal with these and to simply get rid of them within our community.

1250

I'd also like you to tell us at some point whether or not you've been monitoring some of the attempts you appear to have made to improve things. I refer to Dale Martin particularly, recognizing that perhaps he hasn't been in the saddle all that long. Here's a person who should know the OMB and the municipal processes inside out. Have you any indication that he's making any headway? Are municipalities finding any assistance from Mr Martin, or is the private sector indeed finding any assistance? Given the fact that Mr Martin was one whose *raison d'être* used to be to stop the processing of development applications through manipulation and use of the OMB, have you seen any improvement in flowing out housing units?

One of the comments I get pretty regularly, Minister, is that people are glad that you say you are carrying on with the Liberal initiative, Homes Now, that my critic and you have both referred to, but they're not seeing the housing units coming out the bottom end.

Years ago we had a chart when I was on council—Mrs Marland will remember—in Mississauga where we showed the flow of units going in at the top and coming out, and there was a spot in the middle that was called the slough of despair where all of these units seemed to just block up and not flow out the bottom.

It seems to me from what I'm hearing from people, both in the private sector and the public sector, that in providing housing, while you're announcing 20,000 units here and you're announcing certain programs, people are not seeing those units come out of the ground.

You will recognize that there has long been a stated housing crisis. I think someone pulled out newspaper articles that had headlines dated in the late 1960s, middle 1960s, proclaiming a great housing crisis and it had to do with affordable housing or the lack of it. I'm not trying to suggest that you should all of a sudden come along and resolve all the problems that have been involved in the housing industry for many, many years, but there seems to be a cork blocking the flow within your ministry. The nice words and the discussions and the analysis and the meetings by John Sewell and others are all well and good, but it's not relieving the lack of flow of subsidy units coming out at the bottom end.

Frankly, perhaps unlike some of my colleagues in the third party who I'm sure will speak, I'm still a supporter of non-profit housing and co-op, and I believe that involving members of the community in that kind of project is extremely important.

Having said that, it is expensive. No one can deny that subsidizing a mortgage over a period of 25 years in an amortization period is very expensive, but it's worthwhile, it builds good-quality atmosphere for families and children and seniors, and I think it's a program I hope this government will get a little more serious about implementing and

getting those units out to the corporations that indeed can put them in the ground.

The public corporations—your own Ottawa corporation and mine in Peel are a couple—are well known for delivering good-quality products. I can't speak for the Ottawa community, but I can tell you in Peel people are upset; they feel they're being ignored.

As well, you made reference to and took some credit for the announcement that brought forward the use of RSPs. I wonder if, even though that was a federal initiative, you've had an opportunity to monitor the impact of that and if you can quantify that for us, and I would ask you about not just the RSPs but the reduced down payment requirement.

In these slides you went through, Minister, you simply gave us the information that is there in the hard copy. I'd like to know if there's been some analysis and some attempt to see, are we moving more people into home ownership? One of your slides referred to the number of people who are able to afford to own a home but presumably don't.

Is there any sense of confidence in the housing market, and not just in the GTA but anywhere around the province, that is seeing a transfer of tenure from rental to ownership? Indeed, we see builders announcing and promoting first-time buyers again in a big way with the low interest rates. But I get a sense in the communities that I've been in this summer that none of it is triggering anything. I hope that's wrong. Maybe you or your officials can give us the impact of that.

I think Mrs Caplan has some questions, so I'll try to leave some time, but the other comment is that we're seeing some real gerrymandering around lot levies these days. I believe the city of Etobicoke recently eliminated and issued rebates on lot levies. The city of Mississauga has recently dealt with a report that sees substantial reduction in the area of lot levies. There's always been an argument by the development industry that says if you reduce or eliminate lot levies, you will stimulate construction. While it may be early, I wonder whether your ministry or your officials have looked at the impact on infrastructure: the ability to provide the playgrounds, the community centres, the arenas, the schools, all of that. If we're going to start eliminating those lot levies, do you, Minister, have any concerns about the impact on the infrastructure, the impact on the taxpayer? Somebody has to pay for those facilities. Or are we simply going to wipe out those facilities and build houses in a vacuum?

I would add, by the way, that increasing or decreasing lot levies is much akin to bonusing in the municipal setting. Are we going to now start seeing the issue of municipalities competing based on lot levy, infrastructure cost, that kind of thing? Is your government is going to deal with this?

I would suggest to you, as I said, that for the next two days at the convention centre in the Royal York, the people at AMO are going to be discussing greatly the impact on their ability to govern at the local level. I think your ministry should have a major role and a major comment, along

with the Ministry of Municipal Affairs, with regard to many of these issues.

Mr Chair, if there's some time left, I could give it to my colleague the member for Oriole.

**The Chair:** About four and a half minutes. Mrs Caplan, please proceed.

**Mrs Caplan:** I'm pleased to have the opportunity to sit in on the Ministry of Housing estimates today. In my own community, about 48% of my constituents are tenants and have a very strong interest in how the new rent review process the minister has referred to under Bill 121 is actually going to evolve. Many of them are concerned about the lack of ability to appeal, and I've heard from many of them that they were very disappointed with a 4.9% increase at a time when inflation is running at less than 2%. I'm not going to dwell on that at this time.

I would like to place on the record some questions that I would like the minister to answer during the course of the estimates.

I've had some questions from my own municipality about the concern around lack of consultation on the policy of intensification. I would join my colleague the member for Mississauga West; I've always been supportive of appropriate planning for intensification that would allow the use of basements, properly. However, as a former municipal representative, an alderman in the city of North York for six and a half years, I'm also aware of the planning concerns that come along with a broad intensification policy.

I would ask the minister if she could expand, first, on what consultations were had with which municipalities, particularly the umbrella organization of AMO, and second, the concerns as to how the municipalities will implement the policy, taking into account neighbourhood concerns around parking problems and those kinds of issues which may result from a broad intensification policy.

One of the concerns I always had as a municipal councillor was that you couldn't have a made-at-Queen's-Park policy that was going to work across every municipality, so I'm concerned about the implementation of the intensification policy that will allow municipalities to be responsive to the concerns of the people in each of the municipalities, and particularly in North York.

1300

The situation in North York is that we have parts of the city where I would say there are a number of basement apartments operating illegally at present which are not causing a problem at all. We have other parts of the city where there is great concern that mandated intensification would cause enormous problems in those parts of the city. We used to say that what was right for ward 8, for example, was not necessarily right for ward 13 or for ward 6. I would ask the minister if she took those concerns into account in the development of the policy.

The second question: Again, I am a supporter of the provincial government's responsibility to supply social housing for those in need through non-profit programs and co-op programs, but I'm interested in what the ministry's

guidelines are for both capital and operating costs on both non-profit and co-op.

I'd like to know what your guidelines are for capital costs per unit and what the subsidy is from the province, what the operating cost per unit guideline is, and whether you have any estimates, given your commitment to numbers of units, of what the operating cost implications are going to be for the provincial taxpayer over the next 10 years. Certainly the treasury would have had to do those kinds of analyses before allowing the program to go forward. I think it's important for us, during estimates, to explore what the implications are likely to be in the future for potential tax increases to support this kind of housing program.

Mr Chairman, how much more time do I have?

**The Chair:** About 12 seconds.

**Mrs Caplan:** In that case, I'd like to thank you very much for the opportunity to pose my questions. I hope, during the debate and discussion, that I will be able to make a further contribution.

**The Chair:** Thank you. Briefly, Ms Poole.

**Ms Poole:** I just have two items of business involving Mrs Marland before we go to her speech. The first is to congratulate her on her son Robert's gold medal in rowing in Barcelona. Congratulations, Margaret: a gold medal.

Second, a few people, like the minister and Mrs Harrington, Mr Mahoney, Mrs Marland and myself, were on the rent control committee hearings—

**The Chair:** I knew there was a link somewhere.

**Ms Poole:** There is. Mrs Marland coined the term "rent wizard." Well, recently I got a card from Avis car rental called the Avis wizard card. I have put Margaret Marland's name on it because I think she truly deserves this.

[Laughter]

**The Chair:** Mrs Marland, if you can get hold of yourself, you have the next half-hour. We're in your hands. Did you want to circulate your wizard card?

**Mrs Margaret Marland (Mississauga South):** I appreciate the critic for the official opposition giving me this card. I hope it means that because it's registered in your name, you pay the bills and I use it.

**Mrs Caplan:** Don't count on it.

**Mrs Marland:** I certainly do appreciate the generous and kind comments on Robert's gold medal. It's an experience I wish every parent could have, because it represents seven years of work and commitment to a goal. For all of those young people who represented Canada in the Olympics, with or without medals at the end, they are all Olympians and they are all young people of whom our country is tremendously proud.

I'm going to read my opening statement to the minister, and I hope it won't be more than my allotted time. I also have my questions written, so if I don't get through all the questions in our short five hours this afternoon, Madam Minister, I'll submit them to you so that you may respond in writing. I think we did this the last time too.



There's one thing I would like to ask right off the top before I get into my statement. We have a number of people present in the public gallery this afternoon who represent a very large area of our province, from Toronto, London, Windsor and so forth, particularly Bonnie Hawlik and Mary Lynn Metras. They are here representing a provincial association of ratepayers and home owners' associations, and with them are Bill Lloyd, David Flett, Tena Gough, Peter de Auer, and also Patrick Gough, the son of Tena.

The one thing that is a tremendous concern for these people and shared by all the municipalities in the province, Madam Minister, that you might be prepared to answer as an initial question, is the deadline of August 31 for response to the legislation. I know you have heard from AMO that it is looking at requesting an extension. There is a resolution here from the city of Windsor asking that the deadline for submissions be extended to December 31, 1992.

Quoting from an AMO document: "AMO supports the intensification of existing privately held housing as one of the most cost-effective ways to meet intensification goals. However, as stated in its response to the draft housing policy statement, AMO believes that decisions on housing intensification policies should be the responsibility of the municipalities." AMO has therefore recommended a housing intensification policy which requires that municipalities designate areas within their own official plans where each form of residential intensification will be permitted.

Madam Minister, that is a very important question for all municipalities in the province, combined with the extension of the time to respond, from August 31 possibly till the end of the year. It is such significant legislation that I think it's a fair request in order for the municipal elected officials to represent those people who elect them directly on this important housing question. Also, this group apparently has been trying to meet with you, Madam Minister, for over a year. They're wondering if you might agree to that meeting, and I'm asking you on their behalf if you would agree to meet with them. So you may like to answer that after my statement.

It has been less than 11 months since the standing committee on estimates reviewed last year's estimates of the Ministry of Housing. Many of the issues I raised at that time are still a problem for people who need and provide housing in Ontario. For instance, this NDP government continues to increase Ontario's stock of non-profit housing, even though figures provided in response to my estimates questions last fall show that provincial subsidies for non-profit housing will amount to \$1 billion a year by 1995.

The minister also refuses to implement a shelter allowance program as an alternative to non-profit housing, despite a recent study showing that for a cost of \$410 million a year, a shelter allowance program could assist all of Ontario's working poor who spend more than 25% of their gross income on housing. Why is the minister ignoring policy options that could house more needy people at less cost to the taxpayers of Ontario?

Another persistent and troubling issue is this socialist government's attempt to shut out the private sector from

the provision of affordable housing. The NDP government's rent control Bills 4 and 121 have forced many owners of rental units into financial ruin, resulting in a loss of privately owned rental housing stock. If this government has its way, these privately owned units will be converted to non-profit housing which is heavily subsidized by Ontario's beleaguered taxpayers.

1310

Nor has this government done anything to help the thousands of Ontarians whose dream of home ownership remains simply that, a dream. The government has rejected the Greater Toronto Homebuilders' Association's proposal for an incentive and assistance program for new home buyers which could have helped some people realize their dream. The Greater Toronto Homebuilders' proposal would also put many unemployed Ontarians back to work by giving a much-needed boost to the home construction industry and the home furnishings retail sector.

The only 1992 budgetary measure aimed at the housing industry was the Jobs Ontario Capital fund. However, this fund provides 20,000 new non-profit homes which will require huge subsidies by Ontario's taxpayers for 35 years. It does nothing to help people become home owners. When will this government realize that the province, or more accurately the taxpayers, cannot afford to operate and fund all of Ontario's affordable rental housing? When will it realize that most people's dream is to own their own home, not to live in non-profit housing?

Some other issues I raised last year stemmed from the residential intensification measures in Land Use Planning for Housing: Policy Statement. These issues remain a pressing concern, as two months ago the Minister of Housing released the Apartments in Houses consultation paper. This paper contains draft legislation and regulations to permit one apartment in all detached, semi-detached and row dwellings, as of right. As I will discuss later, municipalities, school boards, ratepayers and the home construction industry have revealed many flaws in these draft measures and the ministry's consultation process.

I will now explain in more detail my concerns in each of the major areas I have mentioned, non-profit housing, the role of the private sector, home ownership and apartments in houses. Later I will ask questions about some other issues, including recent government appointments in the housing field, housing for people with special needs, the rent review process, funding for advocacy, capital repairs to the province's public housing portfolio and the regulation of mobile home parks.

It is clear from the estimates that the Ministry of Housing is focusing on the expansion of its non-profit housing programs. The ministry's operating account will increase this year by 21.1%, or \$162.1 million. We see that under Housing field operations activity, grants in support of non-profit housing operations will increase by a whopping 37%, or \$164.7 million. There you have it, the major reason for the increase in the operating account.

Looking further, the figures are astounding: Expenditure on the Homes Now program is up by 107%, or \$97.3 million. Expenditure on the Project 3600 program is up by 104%, or \$16.4 million. The Jobs Ontario Homes fund

announced in the budget adds \$416,000 to this year's cost of provincial non-profit housing programs. Overall, spending on provincial non-profit housing programs has increased by 80%, or \$115 million, compared to last year.

Yet how many more people have we been able to put in affordable housing for that price? According to the projections provided by the ministry last October during the review of the estimates, the stock of non-profit units should have increased by 25,753 units in the last year, for a total of 94,060 non-profit units. However, there are about 250,000 renter households in Ontario that spend more than 25% of their gross income on rent and need to find affordable housing.

I would like to receive an updated version of the chart provided to me last year which shows the costs and number of people housed for each of Ontario's non-profit housing programs, from fiscal 1991-92 to maturity. As well, I would like to receive additional information for each program showing the province's yearly, cumulative and total costs for the 35-year amortization period.

The minister will recall that on June 9, 1992, the Progressive Conservative caucus used our opposition day to debate a motion by our leader, Mike Harris, concerning provincial housing policies. Among other things, our motion called on the government to re-examine its involvement in non-profit housing because of the government's large financial commitments in that area.

For some reason the minister chose to question our figure of \$1 billion for this government's commitment to non-profit housing, despite the fact that her own officials provided that figure, which is the mature annual cost of the 115,000 non-profit units which have been promised as of last year's estimates.

She also questioned our figure of the \$2,000-a-month subsidies, even though we had raised several such cases in the House. The most recent one was announced by her ministry in a news release dated April 30. The project in question consists of 11 bachelor apartments with monthly subsidies of almost \$2,000 per unit. As I pointed out to the minister during our opposition day debate, the average rent for a bachelor apartment in Toronto is \$490 per month. Why then are we subsidizing bachelor apartments in a non-profit complex at four times that amount?

All it takes is common sense and a little arithmetic to figure out that we could help a lot more needy people by subsidizing the difference between the rent they can afford and the market rent. That's what shelter subsidies are all about. That's why Ontario's Progressive Conservative caucus advocated such a system in our opposition day motion.

During our opposition day debate, the minister made a big deal of the \$2.5 billion a year the province spends to subsidize the housing costs of social assistance recipients, but she knows that is not what our motion was about. We were talking about the 250,000 working poor who spend more than one quarter of their gross income on housing, who are not eligible for shelter subsidies, who live in sub-standard or inadequate shelter and who are on long waiting lists for non-profit housing. To provide them with shelter subsidies would cost \$410 million a year according to the Fair Rental Policy Organization of Ontario. That's a far cry

from what it would cost to accommodate them in non-profit housing.

Has the Ministry of Housing done any studies since last fall on extending shelter subsidies to needy people who are not social assistance recipients? If so, I would request copies of the reports and an extensive summary of the ministry's analysis and conclusions.

While we are on the topic of non-profit housing, I would like to talk about cooperative non-profit housing. The minister will recall that during the third reading debate on Bill 166, the Co-operative Corporations Statute Law Amendment Act, 1992, I put on the record many of my views and concerns about cooperative housing. My most serious concern is that cooperative housing does not help the people who are most in need.

Since 1986 both municipal and private non-profit housing corporations have been required to allocate 40% of their units to households requiring a deep subsidy, 40% to shallow-subsidy households and 20% to those who can afford market rents. Cooperatives, on the other hand, provide just 25% of their units to deep-subsidy families and another 15% to either deep-subsidy or shallow-subsidy households, yet this government has demonstrated a preference for allocating non-profit dollars to cooperative projects.

When the minister announced the allocation of 6,500 non-profit units on June 15 of this year, more than 3,000 went to cooperative corporations. The region of Peel, in which my riding is located, received just 469 units, or 7% of that allocation, compared to Metro Toronto's 58%. This was not a fair share for Peel, which has one third of Metro's population and has grown six times faster than Metro in the last five years.

The Peel Non-Profit Housing Corp, one of this country's most respected providers of public housing, did not receive a single unit in the allocation, even though there are 83 needy households on the waiting list of the Peel Non-Profit Housing Corp. As well, Peel Non-Profit Housing Corp had the zoning in place to start building 500 homes immediately.

Both Maja Prentice, president of Peel Non-Profit Housing Corp, and Roger Maloney, Peel's commissioner of housing, questioned the ministry's decision to allocate the bulk of the allocation to the cooperative sector. Not only is the province spending more than we can afford on non-profit housing, but by funding housing cooperatives in which only 40% of those units go to needy families, it is subsidizing the housing costs of middle-income Ontarians who can afford market rent.

Minister, I'd like to receive a breakdown by dollars and units for all your government's non-profit housing allocations, showing how many went to municipal non-profit housing corporations, how many went to private non-profit corporations and how many went to cooperative non-profit corporations.

1320

Before moving on, I should clarify that my party is not advocating a return to Ontario Housing Corp projects where a concentration of poverty has resulted in tragic social problems. We all know that mixed-income neighbourhoods are much healthier places to raise a family than



public housing projects. However, we cannot afford to house all our low- to moderate-income families in non-profit housing. Establishing a shelter subsidy program for the working poor would give them the dignity of adequate housing in a building and neighbourhood of their choice.

I spent a lot of time discussing non-profit housing because it is the item that is primarily responsible for the large increase in the Housing ministry's budget. Now I will move on to my concerns about the government's treatment of private sector providers of rental housing.

My files provide a good indicator of the difficulties facing rental property owners. A recent addition is from Highmark Properties, Ontario's largest rental property manager. On June 1, Highmark launched a legal action against the government of Ontario for compensation and damages totalling \$20 million. Highmark charges that by enacting Bill 4, the NDP government effectively confiscated Highmark's seven apartment buildings illegally. Bill 4 retroactively cancelled rent increases that had already been approved by the government and were to take effect or be phased in over a period of years after October 1, 1990.

Highmark maintains that the government has, by design, sought to depress the price of privately owned apartments, thereby enabling the provincial government to pave the way for buildings to be purchased at fire sale prices and converted to non-profit housing. Allan Every, one of the principals of Highmark, has pointed out that the Premier is on the record before the 1990 elections as stating that his party wants to reduce private ownership of rental housing as much as possible and replace it with a non-profit model of tenure.

Mr Rae said of private rental housing, in an interview which appeared in a tenant advocacy publication:

"You make it less profitable for people to own it. I would bring in a very rigid, tough system of rent review. Simple. Eliminate the exceptions and loopholes. There will be a huge squawk from the speculative community, and you say to them, 'If you're unhappy, we'll buy you out.'" End of quote of the then leader of the NDP, Bob Rae, the now Premier of the province.

Allan Every and his partners have lost millions, their entire investment in Highmark's portfolio of seven buildings, as a result of Bill 4. As Mr Every said, this amounts to the expropriation of his property. He maintains that the government did not follow proper legal procedures, because it did not pay for what it took. As he wrote in an article that appeared in the *Financial Post* on June 18, 1992, "The government should not, through its control of the legislative process, be able to reduce values artificially and then take over the property at fire sale prices."

I know the minister will choose not to comment on a case that is before the courts, but I want to put on the record an example of what her government's laws have done to rental property owners.

My next item of concern is this socialist government's failure to recognize the wisdom of home ownership or to help people realize their dream of being home owners. In order to provide a balance of housing options for Ontarians, the ministry should not concentrate solely on provid-

ing public and non-profit housing. This government has not done enough to encourage home ownership in this province.

Last year, during our review of the estimates, the minister said that now people can make a choice: "They can rent money from a bank or trust company and they can call themselves home owners; or other people will decide, in preference, to rent a house if they have the money, even though they might own it and pay to the bank." The minister fails to recognize that buying a home allows people to gain equity, which, along with pension plans, RRSPs and other investments, helps ensure that in our old age, we do not have to rely on social assistance and become a burden to future generations of taxpayers.

Does the minister really want to discourage financial security through home ownership? Does she want to encourage dependency on government assistance? Are there any studies currently being considered within the Ministry of Housing for the encouragement of home ownership? If so, I'd like to receive copies of it.

The city of Windsor has implemented an impressive home ownership program which involves the leasing of municipal land for a period of 10 years at the sum of \$1 per year to those who qualify. In order to qualify for this program, new home owners must receive CMHC approval and a CMHC mortgage for the construction of a new home on a site to be purchased from the municipality. The home owner then only has the debt of actual construction to contend with for the first 10 years of the mortgage. After the 10-year period has expired, the leased municipal land is to be purchased by the home owner.

This is the type of initiative which the provincial government should be pursuing in order to encourage home ownership. Has the minister considered the possibility of implementing such a program on a province-wide basis? If not, would she consider doing so? Such a program would be of little cost to the government to implement, as the province could use government land which has been set aside for the construction of non-profit housing.

Looking at another home ownership incentive program, just this spring the Greater Toronto Home Builders' Association presented to the government and to you, Minister, a proposal to encourage the construction of new homes. However, your government turned down its proposal.

Both the Greater Toronto Home Builders' Association and the Ontario Home Builders' Association have found that the federal government's home buyers' plan has not given potential home buyers the confidence to make this significant investment. The federal plan allows home buyers to withdraw up to \$20,000 tax-free from RRSPs as a down payment on the purchase of a home. The withdrawal must be repaid over 15 years.

The Greater Toronto Home Builders' Association proposed a provincial program which it believes would yield better results. It suggested that for the remainder of 1992, the Ontario government rebate 3% of the provincial taxes a purchaser pays when buying a new home, to the maximum of \$7,500. This rebate would increase the confidence of

new home purchasers because they would not drain their bank accounts when buying a home.

The program would not have required a capital outlay. While there would have been forgone sales tax revenues from the rebate, the home builders' association maintained that these would be offset by enhanced revenues from other sources, such as personal and corporate income taxes, land transfer taxes and payroll taxes. There would also have been substantial sales tax receipts on appliances and other purchases by new home buyers and from the higher levels of economic activity generated by the multiplier effect of new housing on the rest of the economy. The Greater Toronto Home Builders' Association estimates that such a program would result in the construction of 10,000 to 20,000 units and the creation of 25,000 person-years of employment this year.

I realize that the evaluation of the home builders' association proposal was primarily the responsibility of treasury officials, but can the minister tell us why the proposal was turned down? In this year's budget, the Treasurer stated that housing would lead Ontario's economic recovery, yet it appears not to be doing so. Why then would the government reject a proposal which could have boosted housing starts? As well, could the minister provide us with any information she has on the number of housing starts which have occurred as a result of the federal government's RRSP withdrawal program?

1330

The next subject I want to discuss is the government's draft legislation to permit one apartment, as a right, in all detached, semi-detached and row houses. The basic premises of the proposal—the need for more affordable housing, the need to curb urban sprawl and a plan that will not be a burden on the provincial treasury—are laudable. However, there are many problems with the proposal.

While AMO has supported residential intensification as an option for use at the discretion of the municipalities, AMO believes that the municipalities wishing to encourage intensification should revise their official plans and zoning bylaws to facilitate conversion to the degree and in such areas as they consider appropriate. By robbing municipalities of their zoning powers and pre-empting their official plans, the province is ignoring years of long-range planning by the democratically elected municipal governments. As the minister knows, the municipalities are very unhappy about losing their control over neighbourhood planning through zoning and other bylaws.

Municipalities, school boards and their ratepayers have raised many other legitimate concerns. First—and I brought up this issue in the estimates committee last year—municipalities and school boards have no way to ensure that they receive additional tax revenues for the extra occupants of accessory apartments. Under the Assessment Act, a dwelling with an accessory unit may generate the same tax assessment as a dwelling with a finished and unrented basement. Unless the unit increases the market value of the property by more than \$5,000, which is not always the case, the assessed value of the building does not increase. Property taxpayers end up subsidizing municipal and educational services for residents of many

accessory apartments. The Assessment Act must be amended to allow municipalities and school boards to receive additional tax revenue for these units.

There will also be strains on the infrastructure of many municipalities. Some municipalities' sewer and water mains simply cannot accommodate the extra demands of accessory apartments. As well, there are concerns about traffic congestion and parking, especially if basement apartments are allowed in semi-detached, narrow-lot detached and row houses.

Another issue is property standards. Accessory apartments can result in more income properties and the absentee landlord syndrome, which often results in run-down properties. The draft legislation does not limit accessory apartments to owner-occupied homes.

Then there is the problem of right of entry for inspection of conversions to ensure that they meet fire and safety standards. The government is proposing to amend the Planning Act to allow municipal officials to obtain search warrants without specifying the evidence to be seized. However, is it right to give a municipal official greater search powers than the police?

While I'm on the subject of policing, the Peel Regional Police have stated that rapid housing intensification and the region's hidden population are severely straining policing services. Unless municipalities can collect extra tax revenues for accessory apartments, police services will be further strained by residential intensification.

Mississauga city council has discussed the Apartments in Houses consultation paper in both its planning and development committee and, just last Wednesday, in a meeting of the full council. The ministers of Housing and Municipal Affairs will soon receive letters from the city containing a resolution which objects to the requirement for accessory apartments in detached dwellings with lot frontages of less than 40 feet, and in all semi-detached homes, town houses and garages. As well, the city objects to the accessory apartment proposal unless the following conditions are met:

1. The Municipal Act is amended to permit licensing of accessory apartments by municipalities.

2. The Landlord and Tenant Act is amended to include a requirement that all rental premises, including accessory apartments, comply with all statutes, regulations and municipal bylaws.

3. The Development Charges Act is amended to permit municipalities to impose a development charge on all accessory apartments.

4. The Assessment Act is amended to assess accessory apartments proportionate to the increased floor space, similar to duplexes.

5. All municipalities are permitted to strengthen property standards bylaws through private municipal legislation.

6. The fire code is amended to specifically address accessory apartments, including a requirement of a sprinkler system.

7. All existing and future accessory units are required to comply with the Ontario Building Code.



8. All accessory units are included in the calculation of the maximum density provisions of the zoning bylaw.

9. The Planning Act is amended to shorten the process related to property standards bylaws.

10. At least one onsite parking space is required per accessory unit.

11. The proposed definition of "residential structure" is amended so that accessory apartments are not permitted in dwellings which have a home occupation or other non-residential use.

12. The proposed definition of "existing unit" is amended such that it does not refer to when the unit is occupied.

13. An enforceable definition of "single housekeeping unit" is provided to differentiate a rooming house from other dwellings.

14. External modifications do not preclude the existing zoning bylaw.

15. Legislative changes are implemented to facilitate power of entry by municipal staff.

While some of these conditions are addressed in the consultation paper, most are not. I would appreciate receiving the minister's response to the concerns of the city of Mississauga.

The Ontario Home Builders' Association has also identified concerns which are not taken into account in the consultation paper. For example, will expensive building code changes be required to facilitate basement apartments? What about subdivision servicing? Will municipalities increase their persons-per-unit count, resulting in higher development charges?

Obviously this draft legislation is very weak and should either be substantially amended or withdrawn from consideration.

Many parties have complained that the minister released the consultation paper just before the summer, when most people take their vacations. With a deadline of August 31 for responding to the paper, many parties will be unable to do so. This is simply not acceptable. The minister should heed AMO's recommendation and extend the deadline by six months to provide an opportunity for municipalities and other interested parties to review the government's paper fully.

I will leave the remainder of my questions for later this afternoon. Those which I cannot put on the record during our five hours of review I will submit to the Minister of Housing for a written response.

**The Chair:** Now we will give the minister up to half an hour to provide her initial response, and at that time we will then order up our business in terms of how we wish to proceed with questioning and timing. Mrs Caplan has a question.

**Mrs Caplan:** A very short one. After listening to Mrs Marland's presentation, is the minister sorry she said all those nice things about her at the beginning?

**Hon Ms Gigantes:** Not in the least.

**Mrs Caplan:** I didn't think so.

**Hon Ms Gigantes:** I will begin by noting that we have provided, for as many members as we had indication

would be involved in this discussion, riding profiles that give an indication of the number of units of Ontario Housing Corp housing and non-profit, either co-op, private non-profit or municipal non-profit; the indication of which programs these units that exist have been developed under, and also which allocations have been made under current programs and where building has started. We haven't been able to provide it for all the people who are involved in this committee, because we didn't have timely enough indication of who would actually be sitting.

**The Chair:** Well, the Chair was sitting. If we could get the Halton one, I'd be much interested. I want to commend the minister, because it's information we've not seen before by estimates.

**Mrs Marland:** It's very helpful.

**Hon Ms Gigantes:** We have Burlington South.

**The Chair:** It's a helpful initiative. Which members have not received a copy and are anxious to do so?

**Hon Ms Gigantes:** We'll be very glad to provide the information; indeed for any member of the Legislature who has that particular interest.

**The Chair:** Let the record note that the Chair has just been provided his copy by the deputy, so thank you. Oriole riding, you would like the Metro stats. Mrs Caplan, we'll get them for you. Mr Carr would have a copy of the Halton ones as well, I suspect. Very good. Mrs Marland, on this point?

1340

**Mrs Marland:** I want to commend the minister and her staff. It is a very helpful first-time initiative. I've seen it, and it's excellent to receive it. I also want to remind the minister that if she would answer the question about whether she'd meet with these people that are here that would like to leave, she might make a commitment to meet with them some time.

**The Chair:** If you're suggesting that these guests you read into the record may be leaving soon, then the minister is so advised. But the minister took copious notes for each of the presentations and would like to respond in order and in turn, I suspect. The minister has been advised. Please proceed, Minister.

**Hon Ms Gigantes:** I will take the information Mrs Marland has given me about the request for a meeting under consideration. I have no idea what arrangements have been attempted or made through my office, and I will try to follow up on that.

Very briefly, there are obviously a number of items which have been raised here. I doubt I can comment in adequate detail to satisfy all members of the committee, but I'll attempt to briefly hit some of the points which I've tried to note as we've gone along.

The framework consultation, which I mentioned in my introductory remarks, is now in the process of analysis. I expect that within a matter of weeks we will have a response which we will be moving forward through cabinet and we will be moving forward for public consideration.

Ms Poole expressed the concern about how there hadn't been a pause in the pace of allocations for non-

profit housing while we evaluated the program, the many programs in fact that have been operating since 1986. I think that's a good point, and in fact it was one of the key reasons for having the consultation which we undertook, which was a very extensive consultation and involved a lot of people, a lot of organizations and a lot of very good responses. We found it very helpful.

We have made a commitment that we will not be allocating under a new 20,000-unit program of Jobs Ontario until we have developed a policy which will reflect the responses that we've had during that consultation. That means we've got to burn the midnight oil. Ministry staff have been working extremely hard to pull together the total response package and sit down and organize our plans for the new policy that will guide us through the next three years of allocations with the Jobs Ontario program.

To go back for a moment to the question of the policy framework, when your colleague talks about units not coming out the other end of the Ministry of Housing allocations process and a cork blocking the flow, in a sense you're asking for two different things and you might want to sit down and sort it out. On the one hand, I'm being told, "You should get evaluation and new policy in place," and on the other hand, "You're getting stopped up and the allocations flows are not coming."

On the allocations flow, I want to indicate, as I have previously in the Legislature, that units under construction this year will amount to 28,683 units. That will be generating 48,187 full-time job equivalents. There is only so much a system can carry without increasing the bureaucracy in order to carry allocations and programs. I think it is fair to say that we have stretched the resources within the ministry to the utmost over the last two years to make sure that allocations were flowing, commitments were getting made and construction was beginning.

Land use planning was another point that the Liberal critic, Ms Poole, raised as a concern. In the area of land use planning, we will be very much looking forward to the recommendations of the Sewell commission. In the meantime, we have a housing policy statement of some duration in this province initiated by the previous government, dating from 1989. It gives a very clear indication to municipalities what the requirements for land use planning for housing purposes are.

In that context, when we get to the question of apartments in houses, it certainly has been the case that both individual municipalities and the Association of Municipalities of Ontario have been involved with this government, either as it was headed by the Liberals or in the last two years by the NDP, over the question of what official plans should say on the question of apartments in houses.

It has been a requirement under the housing policy statement since 1989—and that housing policy statement, as you know, was developed in full consultation with municipalities across this province and AMO—that official plans of municipalities reflect the "as of right" zoning for apartments in houses. That requirement of the housing policy statement has not been met. Official plans of municipalities in Ontario are not meeting that requirement.

It is because of that and because of that experience over three years that we have decided we have to take new initiatives to further the objective of making sure that we are providing a type of housing in Ontario that will be helpful both to home owners and to renters. It's for that purpose that we have decided to take a legislative initiative.

As you know, the document which has been circulating since June is a draft piece of legislation. It is very specific. The comments that can be made on that draft piece of legislation are comments which can be very much to the point. I certainly would have to be persuaded that there was need to extend the deadline for discussion of that draft.

I very much hope that the comments we are receiving will be comments which will allow us to determine quickly whether there needs to be revision to that proposed legislation. The thought that three years after the housing policy statement, having circulated a draft piece of legislation to put into effect one of the elements of that housing policy statement, we should now have to delay discussion further for another six months is quite extraordinary.

Mayor Cooper may feel that the conversations in which she and I have engaged around the subject of apartments in houses don't reflect a fully extended consultation, but certainly she will have to acknowledge that AMO as an organization and indeed municipalities across this province have been fully advised and consulted with in a period that goes back over several years now on not just this particular government's interest in this question but indeed the previous government's interest in this question, as reflected in the housing policy statement.

The suggestion by members of the Liberal Party that there hasn't been adequate consultation, and in fact the underlining of that position by the critic for the Conservative Party, is to me just really without base.

If I could move to the question of rent supplement, I will suggest to members of the committee that in the debate we did have around the Conservative motion of non-confidence in the housing policy of the government, we did have quite an extensive discussion of rent supplement and the part it plays in Ontario's housing policy.

1350

Mrs Marland suggests I have totally ignored the point which the Conservative caucus was attempting to make about rent supplement programs, which is that the rent supplement programs of which she speaks are addressed not to people who are receiving social assistance, but to people who are not receiving social assistance who are members—I think the phrase she used was "of the working poor."

Her figures for the number of people renting in the private market who have to pay over 25% of their income for rent in fact are lower than the figures I gave as we began this discussion, which indicate that over 30% of people renting in the private market have to pay more than 30% of their income in rent. I certainly can't object in the least to her concern about people who are in that position. That is, of course, one of the reasons why we have insisted on a new rent control regime in Ontario.



But to get back to the questions of rent supplement, the point I made during that debate in the Legislature was that we have various kinds of rent supplement in effect in Ontario. By far the largest portion is \$2.5 billion, which is paid mainly in the private market by people who are on social assistance and who receive assistance to be able to pay their rents. That has been a program which we have increased.

This government has raised the levels of support for rent supplement as received by social assistance recipients over the last two years in significant ways. There will be a total of 10% in the fiscal year 1990-91. In 1991-92, we were dealing with two and two—2% in the first six months of the fiscal year and 2% in the second six months of the fiscal year, if I have my figures straight. So there has been a significant increase in that program.

In addition to that—I made this point also and I hope that Mrs Marland will hear me this time—we are currently spending at a level of almost \$80 million in other rent supplement programs. She may consider that insignificant but I do not, nor do I easily accept the figures which she has put forward to us, suggested by the Fair Rental Policy Organization, about either the immediate cost or the long-term benefits of increasing the amount of that particular kind of rent supplement programming.

I think perhaps we will need to come back to low-rise rehab. It may be that members of the committee will want to address that further, but certainly we have not been inactive in low-rise rehab. This is in response to the concern raised by Ms Poole. Just one area which I can mention has been the Rupert Hotel Coalition efforts which we have provided funding for.

The Ontario home ownership savings plan continues. This is a major government program. It was initiated under the previous government in 1987. It has provided a large number of people in Ontario with a tax shelter for savings for private home purchase. The current level of that: In 1991 Revenue reports that \$21,833 million had been processed through the OHOSP program, and the forecast in 1992 is \$31 million. The program was a sunsetted one due to end in 1993, so it will be up for review then, but certainly it is not an inconsequential program of support for people buying homes for the first time in the private sector.

North Pickering lands and the associated question of proposals for a Seaton community continue to be the focus of government work, and I hope that will produce results which we will be able to discuss within the foreseeable future; I'm thinking a couple of months, three months.

Rent control: Bob Glass is here from the ministry and can answer in great detail, and I think very interestingly, our plans for the implementation of rent control.

Jobs Ontario, our housing initiative out of this budget: Ms Poole suggested it would not build units this year. It may not complete units this year, but it will certainly start building units this year.

The Fair Tax Commission had a work group on taxation of real estate gains. It could not, as Ms Poole suggests, reject the notion of taxation of real estate gains, but there was not unanimity on the committee. There were different

reports from different groups on that work group, and the Treasurer is considering the results of that work.

Soil contamination does continue to exist in Ataritari. This was a point raised by Ms Poole. We are concerned about this, obviously, as a government. The extreme care that would have to be taken if we contemplated early residential development is somewhat lessened when there is no immediate plan for residential development there, though I have concerns about the soil contamination in and of itself, and so does this government. So it's not something we are forgetting.

Both Mr Mahoney and Ms Marland raised the question of Peel allocations. I'd be glad to provide some further information on the question of what has been happening under the Homes Now program and recent announcements of allocations and how Peel region has been affected.

I think the concerns that have been raised around this matter have to do with the fact that the announcements for what I have always fondly called the P-10,000 program—that wonderful, exciting title that came out of the 1991-92 budget—came in a bloc; I made them in a bloc this spring for 6,500 units. That was the announcement of the completion of allocations under the P-10,000 program. The fact that none of those went to the Peel Non-Profit Housing Corp program raised some concern, which is certainly understandable. The same was true not just in Peel but in other areas.

The question of the overemphasis Ms Marland felt on co-ops in that final round of announcement had to do with an assessment of not just the last 10,000 unit allocations but also the Homes Now program before it and whether in fact enough attention and enough support had been provided to co-op proposals around this province. It was an attempt, and it was a deliberate attempt, to provide the co-op sector with a sense of support and a future in terms of building. We made a very pronounced effort in this last round of allocations of 6,500 units to make sure that co-ops were getting allocations. I think that has been a fair decision. It did mean there were groups left out, like Peel Non-Profit and certainly City Living in Ottawa and other groups around the province that have tended to receive allocations each time there is an allocation announcement, which probably felt a bit of surprise about this.

#### 1400

Within the Peel region, I'd like to run down some figures. Under P-10,000 and Homes Now the Peel region has received a total of 2,528 units, and that represents 6.3% of the total provincial allocation. It perhaps does not represent quite the level of population within the region of Peel, and that certainly would have changed over the period when the Homes Now program and the P-10,000 program were going through the allocation process.

There is no guarantee, nor do I think there should be, that a specific population body will receive an allocation which exactly represents the proportion of the Ontario population that is involved within that municipality or region or whatever. The allocations have been based in the past and will in the future, in some form, be based on need. We certainly know there is need in Peel, but indeed there is need in a great many areas of this province. We have

worked very well with the officials and communities in Peel region over the last several years, and I think overall we feel that what has been allocated and what has been developed in the Peel region meet, as best our resources allow, the needs that have been felt in Peel. Certainly there's been no attempt to emphasize one area over another, except in the question of justified need.

I will say that as we've gone through the housing policy framework consultation and looked over the experience of the last few years, we do think we can better refine the way we assess need; how we relate that, for example, to questions such as what the vacancy rate in rental units is in a given area, how quickly that's likely to change and so on. When we've gone through two recessions over the last decade and seen quite wide fluctuations occur in vacancy rates within a relatively short time, we know we can't simply assume that once the vacancy rate gets up to a certain level, people within that area are going to be able to find apartment units which are affordable for meeting the needs of the people in that area.

There is not a simple relationship, and we, as we re-frame the policy framework on which we will be operating the program under Jobs Ontario for the next three years, will attempt to reflect some of the things we are learning. This is a fascinating area for discussion, and I'd be glad to continue, to the best of my ability, and bring in expert assistance from the ministry, if members wish.

A couple of members have raised the question of whether we have an assessment at this stage of Dale Martin's work. I'll have to plead, not ignorance, but certainly that I don't feel I have as good an understanding of the work he's doing and whether it's possible to assess the results as the minister for whom he is working, and that is the Minister of Municipal Affairs. To my own knowledge from my own community, he has been very active and I know he has been working on various projects around the province.

In the main, I think it's fair to say that he has not undertaken projects that are mainly residential, and certainly within the Ministry of Housing I think there's been a long-standing commitment to provide some resources that help move projects forward. It could be more successful and it certainly has been the intention of the Minister of Municipal Affairs in his announcement in April to try and improve the processes that developers, including non-profit developers, are facing in this province. So we hope that combined with Dale Martin's efforts, the Minister of Municipal Affairs' efforts and the Sewell commission's efforts, we're going to see some positive changes over the next several months.

Reference was made by Mr Mahoney to finding what the results of the RRSP 5% change in the federal budget have been. As I recollect, the predictions for that change were that 10,000 units would be purchased which otherwise would not have been purchased. The last indications I saw, which go back a few weeks, would indicate that even in the short run that estimate was an underestimate by about a factor of three. In other words, across Canada the indications were that purchases of about 30,000 units were involving the RRSPs.

**Mr Mahoney:** What about Ontario?

**Hon Ms Gigantes:** Ontario has about its proportionate share, about 40% of that.

The number of renters who can buy is a subject which of course relates to the proposal which the Greater Toronto Homebuilders' Association brought forward shortly before the budget. They asked us to consider the 3% forgiveness in provincial sales tax. They estimated that about 10,000 units of new housing would be sold as a result, that those sales would in effect be cost-neutral to the government because of the generation of fees and transfer tax and so on and so forth. We took a very serious look at this. In fact, we did not just ship it over to Treasury and say, "What do you think?" We consulted with their own consultant, I believe it's Clayton Research Associates, which had done the work for their proposal.

We set up focus group testing in three centres across the province to attempt to find out among people who had recently come to new home sales offices and who were clearly thinking about new home purchases what it was that was going to make them change their minds. The reading we got we've shared with the Toronto home builders and would be glad to share it with members of the committee; it's quite interesting, an interesting analysis of the state of mind of potential new home purchasers and in fact home purchasers per se, because some of these people were also thinking about resale homes as opposed to new homes. In any case, what we found was that a benefit of about \$7,000 would probably make a difference in Metro and about \$4,000 would probably make a difference outside Metro.

The overall cost was estimated at about \$120 million netted out. For that we would probably get 10,000 new units, but we would obviously be paying for a lot more because a lot of people would be buying whether or not. We have a base of purchasing going on, and in order to get the marginal increase we would have to be paying \$120 million. So it's an expensive program, or it looked to be an expensive program for what it would produce for the economy and for, for example, the home builders and home purchasers.

We were able to test this out, not scientifically but certainly in terms of the broad range of our conclusions, by taking a look at a recent program in the province of Quebec. Once we had taken a look at our own prognostications, we went to Quebec and took a look at a similar program which has been in operation there since I believe the beginning of the year, and it seemed to be producing roughly those figures.

1410

So all in all, given what we were being told by people in the focus groups—namely, that there was still some anticipation that interest rates which, though they seem low compared to the absolute level of interest rates of, say, two years ago or three years ago, are still in a real sense very high interest rates—there's still some anticipation by potential home purchasers that interest rates may yet come down. People indicated—the focus groups were going on I



guess in June—that they would be watching to see what had happened by the fall.

Our determination out of all that information and analysis was that it probably would be precipitate for the government to undertake a program of this nature at this particular point in time. We'll be looking at the state of the market and what people's choices are in the market over the fall period and see whether it's something we need to re-examine. But we have taken that proposal very seriously, and in fact I was personally very grateful that the home builders' association had brought it forward, because it did inspire us, or kick us, to do some work which I think probably is useful on a number of fronts. I think it will be helpful to them as an association and it certainly will be helpful to members of this Legislature who are concerned about housing policy, and I'd be pleased to make sure that members of the committee get copies of it.

Ms Caplan raised the question of whether we had guidelines for capital and operating costs per unit. Yes, those are reflected in the maximum unit prices, which are used as a cutoff point, if you will, for proposals which are being considered by the regional housing offices when we do an allocations call. The costs that get generated are not on a straight line. There is a variation in costs, but the latest cost figures that we have available—I just have to put my hands on them. I know I have the paper here somewhere and I want to be as accurate as possible, and I will try to put my hands on that during our break, Mr Chair, and provide an indication of what we could call "average."

Obviously there are some developments which run into one kind of difficulty or another and where costs may be above the average. On the whole, considering that these programs have been built up with one layer on another in a relatively quick, not to say rushed, form over the last several years, I think there's been a generally decent job of controlling costs. We think we can do even better and we will be trying to build elements reflecting on a lot of what has been suggested to us in the housing policy framework and also our own understanding of what we can do that will improve cost-effectiveness. Because of our own program reviews of the non-profit area we feel that we can do an even more effective job of cost containment or cost management in the 20,000-unit program coming through the Jobs Ontario fund.

I'm over, I think, Mr Chair, to—I'm running out of time, obviously.

**The Chair:** You've got 10 minutes saved from your opening statement, which we've stacked, so you've got a few more minutes. Take your time.

**Hon Ms Gigantes:** What I've done is tended to move back and forward, and I'm just trying to check and make sure that I'm adequately trying to at least mention points which have been raised.

Mrs Marland raised some very general concerns that she has tried to document with statements made by a non-Premier and make them somehow the theme for the operations of housing policy under the government in which he is the Premier.

Let me assure her that there is no program attempting to drive private owners out of rental housing. There's none. In fact, if you take a look over the last two years of program allocations that have been made—for example as we did quick starts and finished up the Homes Now program and then went through the P-10,000 program—there have been mighty few acquisitions.

It has been a criticism by some of the housing activists in Ontario that the government programs have not given enough support in the area of acquisitions where one can, in some instances, get pretty good prices for non-profit units, but we haven't found that many proposals that really were supportable in terms of the maximum unit prices that we have.

When owners of private rental housing decide they want to sell, we haven't found any who are offering fire sale prices, to my knowledge, and I certainly haven't seen them in my own community. I haven't heard flashes from around the province indicating that there are fire sales going on.

Au contraire. When we have had proposals from groups of tenants who say: "We could run this building better and this landlord is very uninterested. We'd like to try and form a co-op here," and they go and talk to the landlord, they're not getting told low prices, not at all. The view of landlords seems to be that if the government's involved, it's top price that gets demanded. So let me reassure Mrs Marland: There is no such project, and if there were, it wouldn't be working, for the reasons I've described.

Have we tried to encourage home ownership? We haven't really tried to make people into renters or home owners. What we have tried to do is continue some programs of the past, which have provided a range of assistance, either in assisted housing or in assistance for purchase of housing—as I mentioned through the OHOSP program. We've tried to provide people with choices to the maximum of our resources, and in ways that we think are most cost-effective.

The question of leasing of land is a very interesting one. We've been doing some policy development work in the area. It's not complete yet. It's not an area in which we are just ignoring possibilities, so I'd like Mrs Marland to know that.

I'll stop there for the moment.

**The Chair:** At this point the committee will determine how it wishes to proceed with the remaining time, which is about three and a half hours.

**Hon Ms Gigantes:** Two and a half.

**The Chair:** Two and a half hours, thank you. I trust the minister has someplace to be after 5. Two and a half hours remaining. I'm in the committee's hands if there are any suggestions on how you wish to process. Failing that, the Chair will rule.

**Ms Poole:** Sometimes, Mr Chair, it's worthwhile to have each caucus have, say, a 20-minute block and rotate, which enables a number of members from one caucus to ask questions on any topic. The only difficulty, I guess, arises, for instance, if we had some questions about rent

control, then the poor man sits down—sorry, I didn't mean to call you a poor man, Mr Glass—but then two caucuses later they ask him more—he's back and forth—but other than that, I think the system seems to work well that way.

**The Chair:** He may be willing to tell you just how much we're paying him after all.

**Mrs Caplan:** It might be interesting to know how many members are here from the Ministry of Housing.

**Hon Ms Gigantes:** I have a list here which would indicate—15 people would be here. We did very much appreciate the pre-indication, as it were, of your areas of interest.

**Mrs Marland:** We were very cooperative, weren't we?

**Hon Ms Gigantes:** Yes, indeed, you were, because it helped us decide who should be in attendance. I should mention that Nancy Smith, the newly appointed full-time chair of Ontario Housing Corp, is here too. She has come more to observe, I think, than to expect to be questioned as she is relatively new in her position, though working, as usual, very hard.

**Mrs Marland:** I have a question to Miss Smith, so I'm glad she is here.

**Hon Ms Gigantes:** Okay. You will ask me about Miss Smith.

**Mrs Marland:** Yes.

**Ms Poole:** Could Miss Smith just stand up so we could recognize her?

**The Chair:** Welcome, Ms Smith. Okay, Mrs Marland, briefly. Did you have a further comment?

**Mrs Marland:** I concur. I think the 20-minute rotation works well.

**The Chair:** Okay. Then perhaps we can take a five-minute break at this point. We will reconvene at 25 minutes after.

The committee recessed at 1421.

1437

**The Chair:** I'd like to call to order the standing committee on estimates. We have two and a half hours remaining, and as per agreement, we will begin the rotation of questions with Ms Poole. Please proceed.

**Ms Poole:** Perhaps first, before I get into the first round of questioning, I could make a few comments about the Minister of Housing's response. She gave us the welcome news that they are having an evaluation and review prior to proceeding with the 20,000 announced in the budget. That is certainly welcome news.

I don't find Mr Mahoney's comments regarding the blockage of units coming out and my remarks about needing to review and reassess the program to be at all at odds; in fact, I find them quite complementary comments. For instance, I pointed out that there are blockages in the system, through bureaucracy and red tape and duplication, which could be eliminated, and of course part of the evaluation process would be to propose ways in which they could be eliminated. This is part of the reason there is a

blockage at the other end of meeting the needs that Mr Mahoney referred to.

The minister did say they plan to start construction this fiscal year of some of the 20,000. What do we have left in this fiscal year, eight months or something like that? I find it hard to believe that any number of the 20,000 would actually be under construction this year, given the time frames that it takes to go through not only the municipal approvals but the Ministry of Housing approvals. Even a fast-track program to get those under construction this year I find to be virtually impossible. So one thing the minister could respond to is to give us an idea of how many of those 20,000 units it is anticipated will be under construction as part of the Jobs Ontario program this year.

**Hon Ms Gigantes:** I don't have the exact number in front of me. I could confirm that with Murray Wilson, but I think we had talked about having allocations for 400 this late fall, if I recollect properly.

**The Chair:** Mr Wilson, please come to the microphone and identify yourself by your position within the ministry. You're no stranger to the committee. Welcome back.

**Mr Murray Wilson:** Thank you. Murray Wilson, executive director, housing field operations, Ministry of Housing. I'm sorry, I wasn't in the room when the point was being made. May I just hear it?

**Ms Poole:** The minister had raised earlier that some of the 20,000 units announced in the budget would actually be under construction this year, and I asked for the estimate of how many of those 20,000 units would be under construction this year.

**The Chair:** Commence construction, is that what you mean?

**Ms Poole:** Commence construction.

**Mr Wilson:** I'm going to take the minister at her word: She once said that if I have different information I should give that information. Unless certain specific things were to happen very quickly, there will be no units under construction out of Jobs Ontario Homes this year. By "this year" do you mean December 31, 1992?

**The Chair:** I think Ms Poole was referring to the fiscal year, which would end March 31, 1993.

**Mr Wilson:** There's a possibility by March 31, but I don't know. It depends, as the minister is well aware. A proposal call for the new program is scheduled somewhere between November and January, and it depends on how efficiently we do our job between now and then. If we were to get a proposal call made in November, then it's conceivable we could have proposals in and selected and construction commenced relatively quickly. Certainly there's a possibility they would commence before March 31, 1993, but if the proposal call was later than that, then it would be highly unlikely that we would get projects started before March 31, 1993.

**Ms Poole:** Thank you, Mr Wilson. That has confirmed my doubts about whether the Jobs Ontario Homes project would actually generate construction jobs in the fiscal year we are in right now. Knowing the length of time it takes to



go through the approval process, unless there is some serious streamlining and fast-tracking, I think we're really going to see the 20,000 project get under way in the next fiscal year as far as actually providing construction jobs is concerned. I find that information quite helpful.

Just a couple of other comments regarding the minister's remarks. I was very pleased to see that this review is going to be finalized before proceeding with the 20,000, but I guess my question is that we haven't really heard about the time frames for the Housing Policy Framework consultation. I'm assuming that when the minister talked about the large consultation that's taken place she was referring to the housing framework. Publicly it is in limbo as far as we can understand, in that we've heard nothing but silence. We really don't know where the housing framework discussion paper has gone, what conclusions the ministry may have raised and when we can expect to see some sort of formalized document to let the public and the users of the system know the direction of the government. I think it would be very helpful if the minister could give us a time frame for when we may expect to see this.

**Hon Ms Gigantes:** I'm going to ask Anne Beaumont, who is the acting deputy, to comment on that. She has been working very directly on it.

**Ms Anne Beaumont:** What we're planning to do to follow up on the consultation work that was done on Framework, and on the research work that's been done in the ministry since then, is to release a document we're calling Consultation Counts. We anticipate that will go out within the next few weeks to those who commented on the document: to municipalities, to the providers of non-profit housing etc. This will reflect the decisions the government has made, based on that framework consultation.

We're also now about to begin the program design for the new 20,000-unit program. In order to do that, work will go on with representatives of the Ontario Non-Profit Housing Association and the Co-operative Housing Association of Ontario, the two non-profit housing groups, to design the new program based on principles that have been developed, coming out of the framework document and the consultation.

**Ms Poole:** Before you go on, could I just ask one question about that? Will those two groups be the only ones that will be involved in the design?

**Ms Beaumont:** What we were anticipating was two things: In the specific program design of the new program and the very technical details around the new program, we would involve those two groups, but we're also proposing to establish a housing advisory committee made up of a range of groups: those two, as well as groups such as AMO, the Ontario Home Builders' Association, United Tenants of Ontario, the Centre for Equality Rights in Accommodation, the advocacy centre etc. We're anticipating that they would work with the ministry on the medium- and long-term issues around our housing programs: looking at how we work to make them more community-based, principles that should underlie geographic allocation, how to address need-and-demand issues etc.

What I was going to go on to say, if I may, is that in the program review we did of the non-profit programs this year, we looked again at ways in which we can streamline the programs. Those recommendations fit very closely with the kind of advice we got in the consultation on the framework. Coming out of those two exercises, as we go to design the new program, what you'll see is very much a streamlined approach, a clearer indication of the accountability of the ministry and the housing providers. That should lead to a smoother and faster development of housing.

**Ms Poole:** Is it possible to give us an idea of the directions in which the government intends to move, as outlined in the Consultation Counts document?

**Hon Ms Gigantes:** Because we have not reached a final decision on all the matters that are covered in Consultation Counts, I would prefer to leave that. It will be a matter of a few short weeks and we will have the document ready for your consideration.

**Ms Poole:** Perhaps you could answer this one question, which is fairly specific: Will the Consultation Counts document outline some of the steps that will be taken to streamline the system?

**Hon Ms Gigantes:** Yes, it will.

**Ms Poole:** So that information would be available?

**Hon Ms Gigantes:** That's right.

**Ms Poole:** Is Consultation Counts the government's finalized policy? This isn't just a document going out to consultation groups to let them know what direction you're going in? This is the document?

**Hon Ms Gigantes:** This is a document that will describe the principles on which we will be renewing and reviewing our policy. So for the next 20,000 units of non-profit generation, we will have new policies in place.

**Ms Poole:** By the way, before I forget, the minister mentioned the brief from the home builders' association concerning home ownership, renovations, that type of thing. I'd be most appreciative if we could get a copy of that.

**Hon Ms Gigantes:** Yes, indeed. We'll make sure members of the committee get that. I think it is of general interest and the home builders themselves have found it very interesting.

**Ms Beaumont:** If I could for one minute add to what the minister was saying, you're referring to the actual brief from them. They had asked us that the brief they submitted be confidential.

**Hon Ms Gigantes:** That's right.

**Ms Beaumont:** What we can provide to you is what we've provided back to them, which is a report that was done on the focus groups and an indication of our analysis of their proposal.

**Hon Ms Gigantes:** I'm sorry, I didn't listen carefully enough to what you were asking there.

1450

**Ms Poole:** Is there any executive summary of the brief that the home builders' association would permit to be released?

**Hon Ms Gigantes:** We can ask them.

**Ms Beaumont:** That's included. There is a summary of that in our analysis of the proposal where we look at that and some other options.

**Ms Poole:** Thank you. I'll look forward to receiving that. I'd like to go on to the issue of accessory apartments, because that certainly is one of the most contentious issues at this time.

Madam Minister, earlier the question was asked, "Would you meet with the group?" It was a group of representatives from various communities that do have concerns about the way in which the draft legislation is formulated, concerns about the time line for the consultation process and this type of thing. It represents a number of ratepayers' groups throughout the province, plus members from some of the councils. I wonder if the minister could commit whether she would be willing to meet with them to hear some of the concerns that are being expressed throughout the province.

**Hon Ms Gigantes:** They, like other groups, certainly have been invited to participate in the consultation on the draft legislation. I'm reluctant to get into a situation where each group around the province, whether it be a municipality or a ratepayers' group or whatever, expects to have a sitdown discussion with me as minister.

If there is a widespread indication that a couple more weeks of time for people and organizations to submit briefs would make everybody feel a lot more comfortable about the consultation process, then I'd certainly be willing to consider that, but my concern is that we do have a commitment now that we will proceed legislatively this fall. The legislative proposal which has been circulated is very specific, which means we're not asking people to get into a lot of abstract consideration; we're asking them to take a look at a draft bill. Their advice on this will be welcomed. I'm looking forward to reviewing the submissions that are being made, but I'm certainly not prepared at this stage to consider a lengthy delay in this process.

As I've pointed out before, the notion that we should have "as of right" zoning for apartments in houses is more than a flighty idea of this government. This is a long-standing proposal. It is enshrined as a requirement in the housing policy statement. It is because voluntary compliance by municipalities has not been forthcoming that we have decided we have to take a further step.

I think you had a pretty clear indication in the enunciation given us by Ms Marland of the list as long as your arm of municipal requirements before they felt they would want to get into "as of right" zoning for apartments in houses of the reluctance there has been—I'll be quite frank—on the part of municipalities to undertake what we feel is a modern obligation.

We think it is an up-to-date provision in planning that should have been in place some time ago in this province, and while there have been legitimate questions raised—and I'm sure as I review the responses we've had I'll discover more than I'm now aware of, and all those responses will be taken very seriously—we intend to go

ahead with this measure and requests for delay are not going to get much sympathy from me.

We're going to deal with this issue. I'm very hopeful that we'll deal with it legislatively this fall, and I don't want anybody out there around the province to think anything else is going to happen.

**Ms Poole:** Minister, I find your attitude quite disturbing on this. First of all, the draft legislation was released late June just before the summer, which is a time when many people find their organization cannot meet because there are too many people away at too many parts of the summer. The deadline was August 31 and what many of the groups and councils are requesting is an extension of that deadline till the end of the year so that public meetings can be held and so there can be a valid consultation.

It's not a matter of delaying it, but when I hear you talk about dealing with the legislation this fall, it seems to me to imply that your mind is made up and that no matter what valid concerns there are or what possible amendments are necessary to the legislation to deal with things that have not been dealt with such as the impact of density, traffic, parking, services, the need for services, the fact that AMO's position, which you imply there has been consultation on, is quite different than what you're proposing, all these things to me, if you're not going to bother wanting to look at the legislation in view of them and try to rectify some of these things, are a waste of time.

It's all meaningless if you've already decided the direction in which you're going to go and you want the legislation processed this fall. I would think an extension of that deadline is a very reasonable request and it may ameliorate some of the concerns that people in the municipalities have about the legislation. It would give you certainly an opportunity to get information out, and right now that information just isn't out there because it came out at the beginning of the summer. I really think in all fairness that you should consider an extension.

I personally am quite in favour of a variety of means of intensification but I see some real problems with proceeding the way you have with a blanket universal policy for the entire province which does not recognize the different needs in various communities and which basically will impose what is seen as a Toronto solution on all of Ontario. I would urge you to think about extending it and giving an opportunity to really make sure that when this legislation is passed it is effective and fair.

I know that I've run out of time, Mr Chair, but we would like to pursue this in the next round.

**The Chair:** The minister will think about that, and I'd like to recognize Ms Marland, please.

**Mrs Marland:** I obviously am concerned about this same matter, just picking up where Ms Poole finished, because I raised this matter in my opening statements and I also asked the minister the question about whether she would meet with this group. I guess I'm a little disappointed in her answer because—

**Hon Ms Gigantes:** I'm so sorry, Mr Chair, could I ask Ms Marland to repeat that? She asked the minister what? I'm afraid I lost it.



**Mrs Marland:** Before I started my opening statement this afternoon, I did ask if you would be willing to meet with this group which has been trying to get a meeting with you for over a year. Now from your answer to Ms Poole asking the same question on behalf of the same group that I had already asked, I'm not very encouraged because you're saying you want to get this—I'm paraphrasing you—put to bed so you can get on with the legislation in the fall.

The point is that you're the government, you're the party which broadcasts to the world that you want to hear from everybody and that you're a consultative government and so forth. We see all the time reinforcement of the opposite of that, and I think this is a perfect example. Here we get a discussion paper out in June with a deadline for responses two months later, which is over the summer, and I think, as has already been said, that's not realistic consultation.

Most municipal councils meet once in July and once in August and for those of us with municipal backgrounds, we know there's a reason for that. You're asking those municipal councils, who are publicly elected in their level of government to serve their people, the same way we are, to respond to what is a very serious housing initiative by your government.

Albeit some of this was in the housing policy statement of the Liberals—and I recognize that, Minister; I don't lay all the blame at your feet. I've forgotten in what year it was announced.

**Hon Ms Gigantes:** It was 1989, three years ago.

1500

**Mrs Marland:** It was in the housing policy statement of the Liberal government.

**Mr Mahoney:** She has trouble saying it.

**Mrs Marland:** I'm saying that for Mr Mahoney's benefit because he always loves the way I say "Liberal."

Anyway, the point is, I agree, it's been out there for discussion more than that. It was a policy statement by Chaviva Hošek as the Minister of Housing at that time that this is what municipalities would do in terms of intensification and this is how they would do it.

I hear what you're saying, that the voluntary compliance hasn't been forthcoming, but we are in a different level of debate here now. Now we have the government saying, "We are going to legislate the municipalities to do this, to make this provision as of right," so that anyone, as of right, regardless of the millions of dollars that municipalities may have spent in planning their municipalities in terms of land use planning and in preparing their official plans for their municipalities, can do so.

We might as well do away with the entire planning departments in our municipalities, in my opinion, because of this kind of dictate from any level of government. In this case we're talking about the provincial level. I would be saying the same thing if it were the federal government coming through with some land use direction to a local municipality.

First of all, you don't have the staff, albeit you have 15 or 18 staff here today. There is not the money in the pro-

vincial treasury to hire the kind of staff that would be needed to do the kind of investigative study at the local municipal level to know where intensification should take place. That structure already exists in local municipalities and in regional municipalities through their planning departments.

The fact that the taxpayers of the province have already paid for municipalities to have planning departments decide what the future development of those municipalities should be has worked very well. It's worked at a very big dollar cost. The local taxpayers who have spent millions of dollars staffing planning departments in municipalities have paid it willingly because, as a result, especially in large municipalities, we have for the most part very sophisticated planning departments that decide what is the best land use in their municipality relative to existing development and planning for new development.

When the government comes along and says, "As of right, Mr Joe Citizen can do A, B or C"—in this case we're talking about an accessory apartment; we're talking about a granny flat in the back garden. The ludicrous part, and I think this is the most ludicrous part of this whole direction, is that we're talking about limiting the use. I don't have the wording right in front of me, but there is a reference to limiting the use for 10 years.

I don't know whose brainwave in the Ministry of Housing it was to come up with this limiting the use for 10 years to start with. What kind of structure that would be demolished in 10 years' time could meet the Ontario Building Code and be a safe structure? There are two things. Either the structure will meet the building code and be very safe and therefore it would have to be very substantial to last for 10 years—in any case, that's just an aside question: how the structure would actually be built and how it could be removed in 10 years' time.

It blows my mind to think that little sidebar restriction is on this subject of accessory apartments as granny flats outside of the existing building. A basement apartment is a different thing. You wouldn't be removing it as an exterior accessory building on the lot the way you would a granny flat.

I don't want to misquote you, Minister, but you said you might consider extending the response time a couple of more weeks, but you plan to proceed legislatively in the fall. I think that's what you said.

If this has been coming for so long as a policy and now it's going to be legislation, I don't think it's fair to ask those municipalities to respond, even with an extension of a couple of weeks. If it's been coming so long, I don't see why you aren't willing to have the benefit of what it is those municipalities might want to tell you.

Yes, they might want to say to you, "We've spent millions of dollars on planning our municipalities through our planning departments." They might want to say, "We have land use planning and subsequent land use zoning in our municipalities that we don't want you to interrupt." That might be part of the debate, but they might also come up with some constructive suggestions for you.

If you want to do this intensification through accessory apartments, either granny flats external to a building or

additions within a building through a basement conversion or a main floor conversion—we don't always have to talk about basements—I would hope you would be progressive enough, through your staff, to think that another three or four months, being realistic—you're not able to meet your own building commitment in terms of your own housing program, to hear Mr Wilson's response, in the next four, five or six months. That's fair enough; we understand what's going on there and we understand what the restrictions are on the ministry because of the economic situation. But in making such a tremendous change in a policy you're going to mandate to those municipalities, I think you should be willing to listen to them. Two months over the summer is totally unrealistic.

They're saying, "Let us go out in our municipalities." They may find people who think it's a great idea in some parts of their municipalities, and then it would work for your direction and the policy you want and it work for the municipality. But let them be a partner with you in this decision and let them be part of finding the solution, if indeed intensification is a realistic solution. You might still be willing to give municipalities the scope of deciding where their intensification is going to go in terms of their own municipalities, because as I said a few minutes ago, you don't have the staff that can go into those municipalities and make the analysis that exists today in those municipalities; they know today where intensification could work.

You've just funded studies. You just spent \$70,000 in the city of Mississauga—maybe \$90,000; I'm not sure of the figure—funding its intensification study. Are you going to turn around and say, "We spent that money and we don't agree with the study," which was done by an independent planning company? Walker Wright Young, I think, did the study for Mississauga.

On the one hand you're saying: "This is what we want and we're not going to wait any longer. We'll listen for two months over the summer." Or are you going to say: "We realize two months is unrealistic. We will listen for another four or six months. We will listen to those independent planning consultants that we've paid for," who don't have any political party stripe, by the way. You must have given the money to the municipalities to hire these planning consultants because you didn't have the staff to do it, and fair enough.

Those planning consultants went to every municipality and looked at what potential intensification sites there were, and there are some. Speaking of my own municipality in Mississauga, there are some. But could you not continue what you started by giving the municipalities the money to hire consultants to look at it? Can you not continue that rapport you developed by saying, "We want you to do the study. Here's the money. What did you find out? Now let's decide together what the next step is," rather than coming down with this heavy hammer that as of right, Susan Jones or John Smith can go into the municipality and ask for a building permit because they want to put a granny flat on their property or a conversion in their house to produce that additional residential unit?

1510

What's the point in your having funded a study of where intensification could take place if you're now saying to Joe Citizen in Ontario, "As of right, you can do it wherever you want"? It's a total conflict that's flipped around here this spring, as I see it.

We're asking you, very seriously, to consider this extension and consider listening to the people you represent just as responsibly as we do, as do the municipal officials.

I'm sure you'd like a question.

**Mr Mahoney:** "Don't you agree?"

**Mrs Marland:** Thank you, Mr Mahoney. It's not hard to tell that Mr Mahoney and I were on municipal council together in Mississauga; the familiarity and all that stuff. We help each other, because we both admit we need help.

I'm not going to ask you any of the questions that were in my opening statement. Do I need to, or can I just assume you will be able to respond to the questions in my opening statement?

**Hon Ms Gigantes:** I did attempt to respond to some of the points Mrs Marland raised as concerns. Others, where I think some further background information was being supplied to her, I will certainly undertake to ask ministry staff to provide extra information. Is it at this point that you would like me to respond, or what will happen now?

**The Chair:** Mrs Marland is asking that, for those questions you were unable to cover in your address, you either respond to them during the course of the deliberations or ensure that staff get those written responses to the clerk, who will distribute them to the committee members.

**Hon Ms Gigantes:** Certainly I'll ask ministry staff to take a look and see what extra information beyond what I've said might be helpful to Mrs Marland. If she feels we're not getting to the heart of concerns she's raised, I'm sure she'll feel free to indicate that and we'll do our best to respond..

**Mrs Marland:** That's fair.

**The Chair:** Mrs Marland, you have four minutes left.

**Mrs Marland:** Okay, a couple of quick, very easy questions. As you mentioned, and I'm going to reconfirm, Nancy Smith of Ottawa was appointed the first full-time chair of the Ontario Housing Corp. I think it's interesting that not only is Ms Smith from the minister's riding, but she also ran as the NDP candidate for mayor in Ottawa.

**Hon Ms Gigantes:** No, she's not from my riding.

**Mrs Marland:** All right. I'll correct that. Did she run as an NDP candidate for mayor in Ottawa?

**Hon Ms Gigantes:** No. She ran as a candidate for mayor of Ottawa on her own.

**Mrs Marland:** Is she a member of the NDP?

**Hon Ms Gigantes:** Not to my knowledge.

**Mrs Marland:** Okay. Can you, Minister, tell us why you feel that the chair of the Ontario Housing Corp should become a full-time position? What additional duties will Ms Smith have, compared to her predecessor? Why was she selected for the job, and what is the usual process for



hiring for such a position? Who decided it would be a full-time position? Did you decide? What criteria were used in the selection process? What will her salary range be? Will she have any additional perks with the position? Will she relocate from Ottawa, and if so, will she be given a relocation and housing allowance?

**Hon Ms Gigantes:** I might begin by indicating to Mrs Marland that Ms Smith's appointment was reviewed by the standing committee on government agencies. She may find material in the transcript of that session that will be of interest to her.

The appointment of a full-time chair was indeed my decision, as, in the end, many such decisions will necessarily be. It was important in my view that we have a full-time chair at Ontario Housing Corp for a number of purposes, but most generally because I feel that over the last many years—in fact, as far back as the time when I first came to this Legislature as an elected representative—the situation and the future of the Ontario Housing Corp and Ontario Housing Corp communities across this province really had suffered from neglect. While part-time chairs have worked very hard in the past to try to focus the energies that really need to be directed to a very large portfolio, which is a very important source of assisted housing for residents of Ontario, I think it has proven difficult to do that job and to sort out the lines of development that need to be undertaken for the renewal of the communities across this province. In some cases, that will involve physical renewal. Certainly in almost all cases, it's time we took a very serious look at how well those communities are working as communities.

I'm sure that other members of this committee will share my feeling, over a long period of time, that people who live in Ontario Housing Corp communities have felt left out of the larger community in which they live. They have not felt that their particular communities were an important contribution to the overall community in which they lived. They did not have a sense of pride and a sense of what they could accomplish by working together. They did not have a sense that there was provincial concern that they be able to prosper and to live in communities where life was adequate and where a community sense was strong.

For all those reasons, I felt it was very important that we have somebody who has a deep commitment to trying to change that very long-standing nexus into which the Ontario Housing Corp communities have fallen, to persistently and with a great sense of advocacy bringing forward the concerns of people who are living in Ontario Housing Corp communities and the people who work in those communities, both as board members and as employees.

**Mrs Marland:** What about the salary range?

**Hon Ms Gigantes:** The salary range runs between \$75,000 and \$111,000.

**The Chair:** The second fiscal question was about the allocation for housing and moving. That would complete this session, and then we can move on.

**Hon Ms Gigantes:** Ms Smith will not be moving to Toronto, and in fact worked with our financial officials to

work out a plan which would provide compensation for travel and for living expenses when she is here in Toronto that will in the end cost less than if she had been in a position where she was selling her Ottawa home and relocating in Toronto. For details of that, Arnie, would you be willing to—is it Arnie or Vic? Vic Augustine can speak most directly about the arrangements that have been made.

1520

**Mrs Marland:** You said living allowance and travel allowance would be less cost for the taxpayers or for Ms Smith?

**The Chair:** We'll have the presentation and then, with the committee's indulgence, we'll pursue that. Please identify yourself, and welcome.

**Mr Vic Augustine:** Vic Augustine, the director of finance for the Ministry of Housing, also the treasurer of Ontario Housing Corp.

Ms Smith gets living expenses and travel to and from her home, in accordance with Management Board guidelines. That is instead of relocation expenses, which we find would be substantially more than what she receives now in terms of living allowance, which is rental for an apartment and travel back and forth by train to Ottawa twice a week.

**Mrs Marland:** But the living allowance and travel allowance is based on a one-year comparison.

**Mr Augustine:** That's right.

**Mrs Marland:** We're talking about a one-time relocation cost here, and her appointment is what, three years?

**Mr Augustine:** Two years.

**Mrs Marland:** Two or three?

**Mr Augustine:** My understanding is two years.

**Mrs Marland:** So based on a comparison of what it would cost for two years, it's less, are you saying?

**Mr Augustine:** Yes, significantly less. Our calculation is that for one year, relocation costs, based on the value of her home right now in Ottawa—if she sold the house right away, we would have approximately \$41,000 for one year, a one-time cost. If it wasn't sold, if it sold within 90 to 180 days, we'd have an additional \$25,000 cost. That is significantly much more expensive than renting a one-bedroom apartment in Toronto and paying train fare to Ottawa a couple of times a week or once a week.

**Mrs Marland:** Minister—

**The Chair:** If this can be very brief, Mrs Marland—it's only because the deputant is before us. What I might do is, by extension, if there are any other committee members who would wish to raise a question on this point, the Chair will do that. Is there anybody else interested in another question to the deputant? If not, very briefly, Mrs Marland, then I'd like to move the discussion to the next caucus.

**Mrs Marland:** I think the only other obvious question is, where are the major staff of Ontario Housing Corp? Are they in Ottawa or are they in Toronto? What is the most convenient location for that head?

**Hon Ms Gigantes:** They are in Toronto, Ms Marland. Ms Smith will certainly have prolonged work contact with them here in Toronto. She has already.

**Mrs Marland:** So there is a cost to selecting somebody from Ottawa. That's the point.

**Hon Ms Gigantes:** There is a cost to selecting somebody from anywhere except the Toronto area. In this case, both in terms of the quality of the candidate and in terms of the fact that it's probably useful to have somebody who comes from an area outside the Toronto area, I think both really reinforce this particular choice, to say nothing of Ms Smith's personal qualities and her work background and proven capabilities.

Vic, you might be able to tell us. I'm not certain whether this discussion was part of the discussion that went on in the appointments committee.

**Mr Augustine:** For this particular appointment?

**Hon Ms Gigantes:** Yes.

**Mr Augustine:** Yes, it did.

**Hon Ms Gigantes:** That's right.

**The Chair:** A short supplementary for Mr Mahoney, and then I'd like to recognize Ms Mathysen.

**Mr Mahoney:** I just wonder, in light of the comments about the travel to and from Ms Smith's home in Ottawa, would there be a requirement, Minister, for some travel in this position to be all over the province at various times?

**Hon Ms Gigantes:** Yes, there is.

**Mr Mahoney:** So she would have sometimes work to do in Ottawa, sometimes work to do in Windsor, sometimes work to do in Thunder Bay?

**Hon Ms Gigantes:** That's right.

**Mr Mahoney:** So perhaps location of one's residence in this is not as critical as it might appear?

**Hon Ms Gigantes:** Let me tell you, as a person who represents a riding which is some distance from the city of Toronto, that when you are, as it were, isolated in that strange island called Toronto, it becomes a great office. I suspect that the amount of work that gets done by, for example, elected members who are from out of town, just because they've got nothing better to do than work, is probably higher than for people who are commuting, especially given the length of time it takes you to travel around Toronto.

**Mr Mahoney:** In fairness, we're not talking about an elected member.

**Hon Ms Gigantes:** No, I understand that.

**Mr Mahoney:** I just want to understand. The role of this person would be to be with Ontario Housing staff in other parts of the province on a regular basis.

**Hon Ms Gigantes:** Yes, and she already has travel plans, let me assure you.

**Mrs Irene Mathysen (Middlesex):** I would like to thank the minister. I've got three questions basically: one of them is general, and two of them relate more specifically to my riding of Middlesex. The first one has to do with some correspondence that I received today, and I wanted to ask you about this. It's from Inclusive Neighbourhoods

Campaign. They have written a letter in support of you, the draft legislation for creating apartments and granny flats in houses and for this Bob Rae socialist government.

**Hon Ms Gigantes:** They surely didn't put it that way.

**Mrs Mathysen:** They include a list of 96 supporters that include such questionable organizations as St Margaret's Anglican Church and the Children's Aid Society of the Regional Municipality of Halton. They are circulating a petition in support of the legislation, and I wondered if you knew of this group. Are you familiar with the petition, and if you are, can you evaluate the degree of support or the extent of support that is out there in the community? I didn't know this group, and I wondered if you could enlighten me.

**Hon Ms Gigantes:** Yes. I can't say I can give you a complete description of the group, but it is a coalition of people concerned with housing policy in this province, who have for a number of years considered the question of "as of right" zoning for apartments in housing to be an important policy issue in Ontario. You mentioned that there were various organizations and municipalities and so on which have expressed support for the proposal, and that is true.

It doesn't make an awful lot of sense, but I was going to suggest that we could give you a preliminary indication of some of the positive responses that we've had. But we will have an overall assessment of the responses and the particular proposals that come out of the consultation. I guess that's time enough. Certainly editorially there has been support for the initiative, and there are various groups and individuals across the province who have spoken quite forcibly in favour of the change in policy.

**Mrs Mathysen:** So it is fairly broadly based and there's no significance to it being printed on pink paper or anything like that.

My second and third question have to do with issues within the riding of Middlesex. The second one is in connection with a complex that I think you are familiar with, the Cheyenne Apartments. That housing is, to say the least, inadequate. It certainly doesn't meet the needs of the people who are living there.

I was listening to what Mrs Marland said about rental supplements and how they can be helpful to people who find themselves living in substandard or inadequate housing. I wonder if you could speculate whether or not rental supplements would be helpful to the people living in this particular area. Is that a realistic alternative or is that at all helpful to these people in this development?

**Hon Ms Gigantes:** I can't say I know every detail of the living situation at Cheyenne Apartments, though I did visit some time over the last six months—I think it was probably about four months ago—and found the living conditions of people there, many of whom are newcomers to Canada, to be really extremely difficult. I felt particularly badly about the living situation for the children in that development.

1530

I don't think the prime difficulty that families are facing there is the level of rents. The level of rents is



relatively low. It is the living conditions in the apartment buildings which has proven to be such a trial for people there. As you're well aware, there has been a group active in the London community to try to see if an alternative can be developed on that site.

The discussions we've had at the Ministry of Housing, and we've spent a fair amount of time on it, would indicate there are some difficulties with some elements of what has been considered by the community group, namely because the current owners are not willing to sell the land at a price that would allow for alternative development through our non-profit housing programs within the maximum unit prices we have used as guidelines in those programs.

This again goes back to the question that has been raised by Ms Marland about whether this government has some devious plot to try to drive private owners of rental property out of private ownership. What we found in this instance, as in many others when there is any suggestion that there may be a different type of development on an existing piece of land which currently has rental properties on it, is that the prices that get discussed by the owners are just way out of range for our housing programs.

That has been the essence of our difficulty in trying to meet the requests that have come from the community in London to try to deal with the living situation in Cheyenne Apartments, and I'm sure it's not the only rental development where people are living in very inadequate conditions. I must say personally, among the properties that I've seen in Ontario, and I've seen a fair number which are less than pleasant, that has got to be one of the most unhappy that I've seen.

**Mrs Mathysen:** My third question has to do with affordable housing, cooperative non-profit housing for seniors. I have a group of seniors in the rural part of my riding and I regard them at this point in time as very vulnerable inasmuch as it looks as if in very short order they may find themselves in housing that they can no longer afford. I have really grave concerns about that. There has been one project that I'm aware of in the town of Strathroy. That was sponsored by the Knights of Columbus and it was geared towards senior citizens, providing the elderly with alternative affordable housing.

I wondered how much response there has been by groups to developing affordable cooperative non-profit housing for seniors, because of their very special needs in terms of affordability and access and also in light of the fact that they are definitely growing in number. Of course it's years before you and I will be among them, but we do have that to look forward to, and their numbers are increasing.

**Hon Ms Gigantes:** The questions you raise are questions that really go to the heart of the considerations that we have in mind as we think about what happens, for example, with the 20,000 units that will be developed under the Homes Ontario program. Have I got the right name? Jobs Ontario. I never get the titles right. If it's called P-10,000, I can remember it.

If I could just step back for a moment, about half the assisted housing in Ontario, whether it be OHC housing or

other public housing or non-profit housing, is so-called senior citizens' housing. Indeed, if one looks at the overall waiting list across Ontario, senior citizens as a group have had their needs better met than any other group which is in need of assisted housing. A higher proportion of senior citizens who need assisted housing are getting it, compared for example to the proportion of families that need assisted housing and get it.

That is not to say that in some areas the needs of senior citizens are not higher than others. I can give you as an example small towns and rural areas where there has been an exodus of younger people seeking jobs in other places and the remaining population is fairly elderly and not very well off.

There's a real need to try to balance the design of our program. While in the large, macro sense across the province we know that seniors, as a group, are getting better served or have been better served than other groups, I think it's still important for us to remember that there are areas, particularly outside large urban centres, where the needs of senior citizens are very high. So I think your point is a good one.

It's also quite difficult, very often, to affordably meet those needs. If we're developing where, for example, there aren't services, the costs of looking after sewage can be very high, so there's a double kind of problem there. We don't often find a demand, for example, for a large development for senior citizens, and that means we don't get economies of scale. It also means for example that the fixed cost of septic treatment of a good, adequate, modern standard is very high.

These are things we're wrestling with as we try and redesign the housing program.

**Mrs Mathysen:** Plus the need to balance the virtue of allowing seniors who have lived all their lives in a rural community to stay close to that which is familiar and close to family.

**Hon Ms Gigantes:** Yes, but it's a difficult question indeed.

**The Acting Chair (Mr Gary Carr):** Mr Lessard. I think she offered to put you first.

**Mr Wayne Lessard (Windsor-Walkerville):** There had been some mention, earlier on in the discussions, about the work of Dale Martin at the Ministry of Municipal Affairs. I just want to indicate one example I had dealing with Municipal Affairs recently, as a result of a developer of single-family homes in the Windsor area who was seeking some routine approval at the ministry. When working indirectly with Mr Martin I found that approval was able to be speeded up so that it was available within a couple of weeks. That's been my experience since Mr Martin's come on board.

**Hon Ms Gigantes:** But you do live in Windsor.

**Mr Lessard:** My next question has to do with Windsor, and it's about one of the slides you went through. It says the percentage of renters who can afford to buy a home, on page 16 of the package you prepared. It indicates that there is a great number of renters in Windsor—over 50% of them, by the most recent statistics—who could

afford to buy a home but don't, I guess. If you compare that to figures for the Toronto area, for example, it's almost double. I was trying to think of what explanation there might be for that.

**Hon Ms Gigantes:** Again, what I could do is just remind you of the assumptions that are made in this analysis. It assumes that the level of down payment is 10%, it assumes a three-year mortgage, and it assumes a gross debt service ratio of 32%. I think essentially the difference is the cost of housing, which is lower in Windsor than in Toronto, as indicated in the other slide.

1540

I think you will also find, if you have a look at the report on the focus group discussions that were held around the Greater Toronto Home Builders' Association proposal, that the things that determine people's readiness to purchase are a mix of things which may be different in one community compared to another, depending on local conditions—for example, house prices.

I also read, from the comments that came out of the focus groups—I wasn't at them, but I certainly have a personal kind of feel that people's views of what they're looking for in housing may be changing in ways that will bring us to a new configuration of the housing market. There seems to me to be some indication, which I had previously suspected, that people will rent in order to be able to stay in a given location.

There also seems to be an indication, certainly both from market results over probably the last six months to a year and from the discussion that went on in the focus groups, that people are looking for housing which is perhaps less grandiose than seemed to be the model a while back. I think that people are starting to think about starter homes that are pretty well stripped-down models. Certainly we've had an indication from Montreal, where there has been development of over 1,000 units of very small starter homes, really stripped-down models, that people will buy and they'll buy those fast. Perhaps when we're looking to future developments in new homes we'll be looking at a different kind of market from the one that's prevailed over the last 10 to 20 years. So all those things come into play. God only knows, but I think you will find the report on the focus groups interesting.

**Mr Lessard:** Thank you.

**Ms Margaret H. Harrington (Niagara Falls):** I'll let Mr Marchese ask the question now, if you'd like.

**Mr Rosario Marchese (Fort York):** Thank you, Margaret. I have two things that I wanted to talk about. One of them has to do with the Planning Together document. One specific area that really interests me has to do with the part that talks about gaining greater control of how their lives are being run in the housing development. I have concerns about that, because I think that if we don't do that carefully, it could fail. There is a long process of change that we need to engage in, not only the administrators who have behaved or acted in a certain way for a long, long time, but also in terms of the people who live there, particularly when they've been used to a feeling of helplessness

and hopelessness. Changing that around to a greater feeling of usefulness and control will take some time.

Part of what concerns me as well is the literacy problem that is probably in those housing developments, so we have to deal with that. That's a process of change as well that could take a great deal of time.

Unless we put in the resources, unless we put in the adequate training that is involved, unless we actually work with people on a day-to-day basis, that initiative, which I think is a fundamental thing that can bring about change, could result in negative consequences. I am wondering, from your point of view or even the acting deputy's, what thoughts have gone into how we deal with these problems in terms of putting structures into place, training into place, resources, implementation of all of that and an assessment of how all of that is going. Do we have a sense of how you might deal with that?

**Hon Ms Gigantes:** Two things. I think if Sue Herbert, who is our ADM of operations, joined this discussion it would be helpful, and Margaret Harrington, who is the parliamentary assistant, has been following the initial steps in this whole project. It's one which I find absolutely fascinating, and I'm very hopeful about it, but I think they could probably add more right now than I could usefully.

**The Acting Chair:** If I could, you're almost out of time and I hate to have you called up here—keep it brief, but if you could get right to the point, thanks.

**Ms Suzanne Herbert:** All right. I'll see what I can do. I'm Suzanne Herbert. I'm the ADM of housing operations and I'm also the CEO of the Ontario Housing Corp.

All of the issues you've raised are real issues. There's no doubt about it. Through the process of developing the plan we had tenants actively involved in the actual development of the document itself and the process. We've provided some facilitation money that will be available to local housing authorities that they can draw upon. As well, there's a tenant grant program and a quality customer service program that provides some funds.

I think the question of process and the importance of moving this at the right time frame and in the right way will be different across each local housing authority, because they have different experience in this area. Some housing authorities have moved to tenant input and tenant control without this initiative and what we're doing is simply supporting them to move further. In other areas it will be a rather new and unique process and they're going to take much longer. There is a process of monitoring at the regional housing office level as well in the tenants' support branch, so we're going to be providing as much hands-on support to the local housing authorities as we can.

**Hon Ms Gigantes:** Margaret, I think—

**Mr Marchese:** Can I—

**The Chair:** Very briefly, because our time has expired for this caucus.

**Mr Marchese:** I'll pick it up after.

**The Chair:** Well, if it's a very brief question, of course.



**Ms Harrington:** I wanted to briefly comment, because it is such an important thing and I think Mr Marchese has raised the essence of the very difficulty and the challenge and the hugeness of what we are about to attempt with his concerns regarding any failure.

We have taken a long while and a sensitivity to the process of developing the document. It is written in a very straightforward and clear way, trying to get the tenants involved. That is very, very important. You have hit upon a very fundamental thing. This is difficult to do. It has to be done properly. I have been involved in my local riding in meeting with the staff of the housing authority. It is so important all across the province for staff to be committed and to want to participate in change and have it viewed as a good thing for their own jobs as well as for the tenants.

This is a start of the process. It's going to be difficult, Mr Marchese, and I hope that everyone, including the opposition members, across this province will be looking forward to it and be sensitive to the process. I think the opposition will even agree that there's no sense keeping Ontario Housing the way it has been. I think everything is evolving and changing, and I think you as well as we want a better process in the future. I hope you'll agree.

**The Chair:** Thank you.

**Mr Mahoney:** I'd like to go back briefly to the comments by the minister with regard to the intensification issue.

**Ms Poole:** Mr Chair, on a point of order: We have, I think, just over one hour and 15 minutes left.

**The Chair:** Correct.

**Ms Poole:** Should we perhaps divide up 25 minutes for each caucus and that would finish; we can take the votes.

**The Chair:** It is the custom for the Chair to watch the clock, and I'm watching it.

**Ms Poole:** I know. It's just to have the timing in a block, rather than tack it on to the end.

**The Chair:** I will interrupt in the final round to ensure that there is equity. Please proceed.

**Mrs Marland:** It's a good suggestion, though.

**Hon Ms Gigantes:** It's a good start. Can I ask a question? I'm not sure I've understood exactly how you wish us to go.

**The Chair:** We've completed one 20-minute round with some fine-tuning. We're going to have another round just shy of 20 minutes.

**Hon Ms Gigantes:** That wasn't my question.

**The Chair:** It was a point of order from Mrs Poole, and I'm giving her final clarification. Then I'll ask the minister what it is she wants to raise with me.

1550

**Mr Mahoney:** Why don't you do that before we divide the time?

**The Chair:** Because it's the responsibility of the Chair to ensure that the minister be given a final summary comment and that we give sufficient time to the Chair to conduct the six votes required by the standing orders. If you

want to take a lot of time discussing the clock, I am in your hands, but it's the custom for regular members of this committee to ensure that the Chair works out an equitable schedule once you told me you wanted to do time allocation.

Minister, you had a question.

**Hon Ms Gigantes:** Yes. I had a question of you, Mr Chair, whether I'm expected to respond as people raise questions. Following the second-round comments by Ms Poole and Ms Marland, I did not attempt to respond immediately and then I started to wonder about the protocol.

**The Chair:** There is no real protocol. When the questioner raises a question and pauses, I guess it's implicit that he or she is wanting a response at the time. If you take too long with your response, they generally indicate to the Chair that they think the response is a little too lengthy. If they wish to stack their questions, they'll indicate that generally.

Mr Mahoney, please proceed.

**Mr Mahoney:** I have some questions which I'd like you to respond to as I go.

Your comments with regard to intensification cause me real, serious concern—when you said that you've made a decision to go ahead with this and you wouldn't want anybody in the province to be under any illusions. I'm paraphrasing what you said because I don't have Hansard.

**Hon Ms Gigantes:** You are paraphrasing.

**Mr Mahoney:** In essence, that's what I interpreted you to say, and you're simply plowing ahead with this thing. It is very much reminiscent of Bills 4, 121 and the current Bill 40, where the government has simply decided to go ahead, and supposedly is having consultation.

That's what concerns AMO and the municipalities. That's why you have such an all-encompassing document from the city of Mississauga council that Mrs Marland entered into the record earlier, because they are putting out every concern they can possibly think of in this area, rather than sitting down and perhaps eliminating some that may not be as contentious as they appear to be once you get into the depth of the issue. With respect, I think the attitude that you're going to go ahead with this regardless of what anybody has to say about it is what really concerns people.

**Hon Ms Gigantes:** What I wanted to make clear was that we intend to proceed with an amendment to the Planning Act on the question of apartments in houses. I certainly did not indicate that we're not interested in listening to people's comments on the draft legislation and any proposals they have for improving it; that's the purpose of the consultation. But the direction is clear.

**Mr Mahoney:** And you are clear on that: The direction is clear that you're going ahead with this. I'm a lot concerned. The reaction from you to the list Mrs Marland read was something to the effect, somewhat facetiously, that it's a good thing they're in support of it. It just so happens that a number of them on that council are in support of some form of intensification but they have a number of very serious questions that are put forward.

**Hon Ms Gigantes:** We're not dealing here with the general question of intensification.

**Mr Mahoney:** No, I want to get into specifics.

**Hon Ms Gigantes:** We're talking here about the question of amending the Planning Act to permit "as of right" zoning for apartments in houses. The question of intensification is a larger one. I don't wish you to suggest that I am plowing ahead with intensification as a generalized policy without consultation or discussion or any of that. In fact, that is one of the items a royal commission is now taking across the province as a question of consultation.

**Mr Mahoney:** Minister, let me deal specifically with one of the amendments to the Planning Act that you've put forward in your document, that is, the issue of dealing with related and unrelated people. I personally do not think that's a Planning Act issue; I think it's a human rights issue. It's nobody's darned business whether or not you're related to the people you happen to share a home with.

**Hon Ms Gigantes:** That's why we want to make clear that the Planning Act does not permit that kind of distinction.

**Mr Mahoney:** I suggest to you that it's not a planning issue, that there is legislation that prohibits discriminatory bylaws from being passed by a municipality to discriminate on the basis of familial relationship. It's one of the areas that I think should not be part of the planning process because it's simply going to—

**Hon Ms Gigantes:** We are making it clear that it should not be.

**Mr Mahoney:** Who is?

**Hon Ms Gigantes:** That's what the amendment would accomplish.

**Mr Mahoney:** By putting an amendment in the act, you're making it clear that they can't do it. I'm trying to suggest to you that you do it through non-discriminatory legislation which is already in place, and indeed was put in place by our government, that prohibits discriminatory bylaws from being passed on that basis.

**Hon Ms Gigantes:** Can I suggest that leaves the onus on the resident to go through a long and perhaps difficult process to claim human rights. What we're suggesting here is that by taking a definitive step and declaring that the Planning Act does not permit this kind of thing, we can save people out there all that concern, because it means that administratively Municipal Affairs will be able to say, "This is without the Planning Act."

**Mr Mahoney:** I don't want to take my short eight or nine minutes on that one point, but perhaps I could just leave this thought with you: If a municipality is prohibited from passing a discriminatory bylaw on that basis of related-unrelated, then it would not be left up to an individual. It would be against the law for the municipality to discriminate on that basis, and therefore the province could simply deal with that and that bylaw would have no force in effect, rather than be as part of the Planning Act.

**Hon Ms Gigantes:** We obviously could discuss this one at great length.

**Mr Mahoney:** We have done that.

Let me go to such issues as power of entry, the search warrant, concerns I have about what type of evidence can be seized. The term is used, "based on reasonable

grounds." You may be more reasonable or less reasonable than I on any given issue. That concerns me a great deal.

I have this fear that, while I want to give the municipality some basis on which to deal with multiple occupancy—and your document refers to the number two throughout the document. I frankly don't think two units in a single home are a grave, serious problem as long as other aspects are covered. The problem is multiple occupancy. I want the municipalities to have some basis on which to deal with these violations through zoning and through the Planning Act, but I'm quite concerned about basement apartment cops, so to speak, and the rights of individuals and the privacy of their home; the rather loose terminology that's used here in relationship to seizure. I don't know if you've given that any thought.

**Hon Ms Gigantes:** Yes indeed. We had a lot of discussion around this very item. In fact, I'd very much appreciate it if Colleen Parrish, who is our chief of legal services and who worked on this item, were to join the discussion.

**The Chair:** She's well known to many committee members. Welcome, Ms Parrish.

**Ms Colleen Parrish:** Colleen Parrish, director of legal services.

**Hon Ms Gigantes:** She can tell you that we had very intense discussions around this one.

**Ms Parrish:** As you know, the Charter of Rights and good law in Ontario places very high protection on the right of the individual of privacy. Where there is a reason for the state, if I can put it in that broad sense, whether it's a provincial inspector, municipal inspector or indeed the police, to enter a dwelling unit in Ontario, it has to meet very high standards.

They have to go before a judicial officer and ask for a search warrant. In order to get a search warrant, you have to meet certain tests, and those tests include that you have reasonable and probable grounds to believe that there is (a) an offence and (b) evidence in the dwelling unit related to that offence. You have to show those two things. You have to go forward and say, "I have reasonable and probable grounds to believe that there are health and safety violations, and I have reasonable and probable grounds to believe that I have to enter that dwelling unit to get that evidence."

In many cases where you have a situation where the tenants are not fearful that they will lose their right to live there—that is, where they believe there's going to be an inspection for health and safety and not for zoning—they usually just consent because they want these bad conditions to be fixed up. So by allowing "as of right" zoning, people cease to fear the entry of legitimate municipal inspectors, so you find that in most cases you will have consent. You will probably have relatively few cases where there is a search warrant, but if you do, you have to meet these tests and the tests are fairly stringent, with good reason, because there is a right of privacy.

1600

On the other hand, you take away one of the biggest bugbears municipalities have had in getting search



warrants. The problem has been in the past that municipalities have had to specify to a JP before they could get a search warrant that they were going to seize something. In most cases, if you're looking at horrible conditions—no safety this or that, vermin, bugs, inadequate lighting, inadequate egress—there's nothing to seize. You can't seize a lack of fire equipment. So they couldn't get these search warrants. They couldn't get a search warrant because they had nothing to seize; what they wanted to do is look at conditions, and this draft legislation fixes that problem.

**Mr Mahoney:** I appreciate the answer, Colleen; as usual, very thorough. I hope we are not entering into a situation where we're going to create a boondoggle for lawyers to be arguing on the issue of reasonable grounds. I have 15 items on that issue alone I'd love to spend some time on, but I'll pass to my colleagues. But I would ask you to take a very hard look at the city of Mississauga's request to provide it with the power to license rooming houses, to get a handle on that problem through a municipal licence. I advised them to do that when we were in government, when it was very contentious. They refused but seem to be much more interested now.

**Hon Ms Gigantes:** I'll tell you, I think municipal control over substandard accessory apartments, as they used to be known, apartments in houses, is going to be very much strengthened by the proposed legislation, and I think that should be a great source of comfort to the municipalities.

**Ms Poole:** I think we'll move to the Rent Control Act now. There are a couple of questions I specifically would like the minister to answer and then we have a few for Mr Glass which are more technical and specific about the legislation.

Minister, the first question I'd like to ask you involves a decision of the rent review office regarding Zanana Akande's illegal charging of rents in apartments she owns. Is this not against NDP policy, which for many years has been to protect the rights of tenants? Is this not personally very embarrassing for you, to have one of your colleagues found guilty of gouging tenants?

**Hon Ms Gigantes:** Obviously, no one of us would like to have any one of our colleagues in this difficulty. I don't wish to comment on what has happened in this particular case. The process is still in train, as far as I understand it. The one thing I do feel assured about is the fact that it has been a careful and a fair and equitable process.

**Ms Poole:** Minister, you say that as far as you're aware the process is still going on. My understanding from public comments made by Ms Akande is that she intends to appeal the decision. I wonder if this has perhaps created a dilemma for you, because under your legislation, Bill 121, you as minister have abolished the appeals board, the rent hearings board, and that is the board Ms Akande is actually using to appeal that particular decision. Have you had any change of heart, having one of your colleagues find the board to be extremely useful and planning to use it to clear her name? Do you now have second thoughts that perhaps the appeal board should be reinstated and you're going to take a second look at it?

**Hon Ms Gigantes:** It's our intention to proceed with 121 as it has been passed by the Legislature, and that will mean that the appeal board will be wound down as soon as those cases which are covered under previous legislation are dealt with.

**Ms Poole:** I guess I find it very ironic that a board that is in the process of being abolished by the NDP, and in fact has been abolished by Bill 121, is being utilized by a former NDP cabinet minister who definitely sees the value in it. Under Bill 121 one of the problems with that legislation is that if there is an error in fact, if there's an error in law, people have to go through a very expensive court process for remedy, and if it's an error in law, they do not have an appeal board to hear their case.

**Hon Ms Gigantes:** Mr Chair, I don't think that's quite a fair assessment of the process under Bill 121, but I will point out to Ms Poole through you, if I may, that the case she's referring to is one which arose under previous legislation, so obviously the various facets of that legislation will be in play and useful to parties in that case.

**Ms Poole:** I submit to you, Madam Minister, that the appeals board would have been very useful not only under the predecessor legislation but under Bill 121, and that to me it seems quite unfair that your colleague Ms Akande is able to make use of the appeals board and yet that will be denied to all other tenants through the new legislation.

I think we'll leave that particular one. I think before we go to Mr Glass, Elinor had a question.

**Mrs Caplan:** Yes, thank you. In my opening comments I mentioned your 4.9% increase, and I've had a number of comments from tenants in my riding. As I mentioned, Minister, 48% of my constituents are tenants. Several have called me and said that they're feeling quite betrayed and very cynical because in the summer of 1990, the now Premier, Bob Rae, and his candidate, Lennox Farrell of Oriole, promised that the rent control increase would equal inflation.

I'm asking you what I should say to them when they tell me that they're feeling betrayed, because while inflation is less than 2%, the tenant increase for 1992 is 4.9%. They're feeling cynical, as I said, they're feeling betrayed, they feel Bob Rae and Lennox Farrell lied to them, and I'd like you to tell me what I should say to them.

**Hon Ms Gigantes:** I can't tell you what to say to them. Certainly you could explain, if you wished, that after consultation it became the intent of this government to develop a control on rents that reflected not merely CPI increases but the actual costs of running and operating rental accommodation in this province. Those have been higher, particularly those elements that relate to energy costs and tax costs, on a three-year rolling average, which is the formula which is being continued, than CPI increases have been.

The result of that is that we have a guideline. Once we take an inflationary reflection of the three-year rolling average as the cost of running rental accommodation and add in the 2% for maintenance and capital expenditures that's built into the guideline, we have a guideline which is higher than the rate of inflation.

If you have difficulty explaining that to them, you might wish to refer them to the Ministry of Housing and we'll give it another try.

**Mrs Caplan:** Several have told me that they have attempted to contact you and the Premier—Bob Rae, now Premier of Ontario—to tell both you and the Premier of their feelings of betrayal and have not been satisfied with the response because the response has been so different from your election promise.

Again I would ask you, when they say to me, "How can we believe anything that the Minister of Housing and Bob Rae have to say?" what am I supposed to say to them?

**Hon Ms Gigantes:** Again, I can't tell you what to say.

**Ms Poole:** Mr Chair, I think we'll go on to Mr Glass because time is getting very short.

**The Chair:** You've got a minute and a half.

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**Ms Poole:** Can you talk quickly? During the rent control hearings, we talked about the cost of administration of the new Rent Control Act. At that time you gave us some figures saying it would be administratively more expensive in the beginning but that you hoped to taper off. Do you have new figures for the cost of administration?

**Mr Robert Glass:** I think the figures I would present would be essentially the same figures. We would estimate that the cost of rent control this year will be \$38,545,000. That will consist of \$33,976,000 of ongoing costs and \$4,568,000 for the one-time implementation costs associated principally with advertising, new publications, translation services, training and new systems work.

**Ms Poole:** You mentioned the cost of advertising. Do you have a figure available for that cost?

**Mr Glass:** It would be about \$1,715,000.

**Ms Poole:** And what about the training of the staff? What would the cost be for that?

**Mr Glass:** Approximately \$250,000.

**Ms Poole:** So you're spending five times as much on advertising as on training?

**Mr Glass:** I think the public education communications component is equally critical, because we find that a well-educated public saves us a lot of time and a lot of effort later down the road.

**Ms Poole:** My math was bad, I think—seven times. I'm quite concerned about the training and whether it will be adequate, particularly without the appeals board. What training process will be in place?

**Mr Glass:** We actually began training in June. It is a series of modules that involve everything from clerical processes through to the new systems work through to the act and regulations and new policies and procedures. The courses involve really all our staff at the former rent review services group, the Residential Rental Standards Board and the Rent Review Hearings Board, and they're repeated several times. They run from half-day to two-day courses and they'll continue on from the month of June through to, I think, about October 1 and they're all-inclusive.

**Ms Poole:** If I could just ask one more brief question, because I think my time has run out: You mentioned that there was a startup cost for the administration. Excluding that one-time startup cost, what will be the difference in administrative costs projected for the first year of the RCA system as opposed to the last year?

**Mr Glass:** I believe the difference is about \$500,000, but I'm not absolutely certain. I'd have to compare this year's and last year's budget estimates.

**Ms Poole:** So you're targeting half a million more in administration?

**Mr Glass:** Yes.

**Ms Poole:** And that excludes the startup cost?

**Mr Glass:** Yes.

**The Chair:** Thank you. Please don't leave, Mr Glass. Mrs Marland, did you have some questions for Mr Glass?

**Mrs Marland:** No, Mr Chairman. I went through all that in the hearings and I'm already totally frustrated by that unnecessary legislation anyway.

I'm going to table with the minister, as I said at the outcome this afternoon, a number of questions; in fact I think it's 15 questions. I will look forward to receiving a reply in writing to the ones I haven't asked, as the minister has committed to.

I also want to recognize the fact that the member for Oakville South, the other member on this committee, has some very valuable questions to ask the minister, so I'm not going to take the balance of the time. I'm going to share it.

Minister, we've had a lot of discussion this afternoon revolving around the fact that there simply isn't the money to do all the things that need to be done for the people of the province in terms of trying to resolve the question of housing. Certainly our caucus has come up with some very concrete alternatives that we wish your government would look at seriously. We've talked about that a lot in the past year, you and I, and it seems you have a mindset in opposition to shelter subsidy.

It's a very difficult subject for me to understand from your perspective, because while you say you don't want to subsidize—I mean, when I've said the solution is to gradually phase out rent controls while you protect those people who need protection from rents which they cannot afford, and we've said direct shelter subsidy payments are the way to do that, you've also said from time to time: "Well, you know, we don't want to use government money to subsidize the private sector. We can't support private sector development by using government money in terms of giving a shelter allowance, which in turn pays a rent to a property owner who is in a business."

You and your caucus members always talk about the business of owning property as though it's sort of a dirty word, yet the irony is you mentioned another \$80 million this afternoon that goes in a shelter allowance or a rent subsidy, outside the non-profit and cooperative programs. The fact is that the Ministry of Community and Social Services has no trouble giving government money, therefore taxpayers' money, to pay rents for people who are eligible under our social assistance requirements. So on the



one hand we're saying, "We can't subsidize the private sector in terms of property ownership," but in fact that's what we're doing, and we're doing it because it needs to be done.

We agree with it. We agree with the fact that people who are eligible for social assistance who need their rent paid out of Comsoc should get it paid out of Comsoc, because they need that help. But it's the same treasury, it's the same pot that this money's coming out of. So they're rather conflicting statements.

While we're talking about the shortage of money in the province and the need to have money to resolve this problem, something was brought to my attention, and I thought you might like an opportunity to confirm or correct this, because if it's not true, I will go back to the source who brought it to my attention.

Apparently it's alleged that on May 21 of this year, 1992, about 60 rent registry staff spent a day being briefed on the upcoming passage of Bill 121 at the luxurious Old Mill restaurant in Etobicoke. It was alleged that they had a roast beef and seafood buffet for lunch costing \$18.95 per person, which rose to \$24 each when taxes and gratuity were included.

I think we need to know: Were there additional costs for the room rental, breakfast and staff claims for travel to and from the Old Mill? Is it true that on May 21, rooms sat vacant in the Macdonald Block, where the rent registry staff meeting could have taken place at very low cost? What are your ministry guidelines for meal costs and travel claims for such meetings?

If none of that is true, I think the public needs to know it, and certainly I need to know it to get back to the people who said, "How is it that we've got this terrible situation in the province and yet we have potentially a very bad example of ministry staff spending a lot of money that didn't need to be spent?"

**Hon Ms Gigantes:** Mr Chair, in response quickly to that, you will recall that you raised the question of a working lunch, I believe it was, with me some months ago. In fact that led me to make inquiries at the ministry, which did raise questions in my mind. The specific details of the events and the costs involved I don't have at hand at this stage, but certainly staff was reminded of the need for exercising great discretion about spending on such questions.

I think if there are further details that are required, either Arnie Temple might have information available now or we could respond in writing. But I do think the questions you generated at that stage were useful and they have, in turn, generated a much clearer definition of what is adequate financial constraint in terms of such events.

1620

**Mrs Marland:** Minister, does somebody have the answer today about the cost of this lunch, and did it take place? Was it at the Old Mill, did it cost \$24 and how many people were there?

**Mr Glass:** Perhaps I can fill in some details, Minister. The registry staff are my responsibility. There was a lunch at the Old Mill restaurant. It was held at the Old Mill restaurant after we attempted to get boardrooms at the

Macdonald Block. When there were none available, there were tenders for various locations that are used frequently. The Old Mill is used from time to time by government officials; not specifically Ministry of Housing.

**Mrs Marland:** Twenty-four dollars for lunch?

**Mr Temple:** The correct figure is not \$24. I believe the correct figure is \$18, but I'd have to review that. It's been several months.

There was a mistake made. The training day was planned for one specific day and then it was changed to another day. The staff did not check back to see if boardrooms were available, so they went ahead at the Old Mill. They've been properly chastised for doing that, because there were boardrooms available and it would have been somewhat cheaper.

In terms of lunch, I would ask people to bear in mind that it's principally staff members, who do have the right to a lunch or overtime in lieu of lunch.

**Mrs Marland:** Did they also claim travel expenses to and from the Old Mill when they could have been at the Macdonald Block?

**Mr Glass:** There might have been some nominal charges for that; one would hope subway tokens.

**Mrs Marland:** The information I had was \$18.95 per person, but by the time you add the taxes and the gratuity, that's how it got up to \$24.

**Mr Glass:** My understanding is that it would not be \$24.

**The Chair:** It certainly didn't include the bar bill, as I understand. You're doing well there, Bob. It didn't include the bar bill, so keep going.

**Mrs Marland:** So you're saying that we have a choice of spending \$24 on lunch for staff who meet over lunchtime, or pay them overtime.

**Mr Glass:** No, the lunch charge was not \$24, but there is a choice of paying overtime or paying for lunch. To have released people at the Old Mill would have been rather awkward.

**Mrs Marland:** But what is overtime? If you work through your lunch, is overtime time and a half on your salary?

**Mr Glass:** Yes.

**Mrs Marland:** Is that right?

**Mr Glass:** Not my salary.

**Mrs Marland:** No, but do your staff work exact hours like 8:30 to 12:30 and an hour for lunch? What hours do they work and what constitutes overtime?

**Mr Glass:** Certain specific staff would. It depends on the particular schedule they're in. It's either a 36.25-hour workweek or a 40-hour workweek, depending on the schedule they're in.

**Mrs Marland:** Do they clock in for these hours?

**Mr Glass:** They would sign attendance registries.

**Mrs Marland:** All the people who attended this luncheon would have been eligible for overtime if you hadn't bought their lunch?

**Mr Glass:** The majority of staff would be union members in a schedule that would be appropriate for overtime, yes.

**Mrs Marland:** Union members? What do you mean?

**Mr Glass:** Union staff who would be appropriate for overtime.

**Mrs Marland:** I see. It's a very interesting answer. Can I look forward to the actual costs and travel claims for that meeting?

**Mr Glass:** Absolutely.

**Mrs Marland:** Thank you. I'd like to give the rest of the time to Mr Carr.

**The Chair:** Mr Carr, you have about six minutes.

**Mr Gary Carr (Oakville South):** I'll be very brief. I wanted to thank all the staff who came here today for their answers. I'm going to stay away from the broad questions.

I was looking through the estimates and saw that we had gone from spending \$550 million to about \$930 million in two years, but I want to get specific. Last night I was going through some of the briefing books from the auditor. On page 181 it talks about some of the inadequate income verification. I'll read you a copy of it.

It says, "While rents were properly calculated based on tenants' reported income, we found income verification to be inadequate and inconsistent." Basically what the auditor said is we don't look at people's incomes to see if they're reporting them accurately.

Could you tell us, as a result of what happened with the auditor's report, what changes you've made and if you could be fairly specific, Minister, what is being done now to ensure that they're getting the right figures?

**Hon Ms Gigantes:** Murray Wilson can speak to this, Mr Chair. In my understanding, if I've got that right, some of the question related to the private management of some buildings. Have I got that right, Murray?

**Mr Wilson:** It could well involve some privately owned buildings where there are rent supplement tenants involved, but I think if the—

**Mr Carr:** You're familiar with the auditor's report?

**Mr Wilson:** Yes, I am, but there are two auditor's reports: one the Provincial Auditor's report of OHC, the other of non-profit and cooperative housing. I don't really know which one you've identified.

**Mr Carr:** This one here, the OHC one.

**Mr Wilson:** The OHC one, then it could be tenant incomes, especially with people on rent supplement in privately owned buildings. That's number one. Number two, in local housing authorities the directives and procedures are well laid down for housing authority staff, and to the best of our ability, in terms of checking with housing authorities as to how frequently they're carrying out their income verifications, that is done.

In the privately owned buildings where there are tenants who are taken from housing authority waiting lists and housed on a rent supplement basis, those tenant incomes are also done by housing authorities. In some cases, subsidies that are paid through the Ontario Housing Corp

to non-profit and cooperative housing groups, there are tenants who are housed under rent supplement arrangements, and in those instances it is the responsibility of the housing company, the private non-profit, the municipal non-profit or cooperative housing company, to conduct those income verifications.

**Mr Carr:** Because the auditor said in here that, except for the self-employed, staff don't obtain tax returns and it says the Ontario Housing Corp staff were frustrated that there was no way they could determine whether tenants have reported all sources of income. What I'm getting at is, and I know the relationship there, have we put anything in place, have we worked to ensure that in fact there is income verification? That's the question, and I appreciate all the technicalities. What specifically have we done to ensure that's being done or can we do anything about it?

**Mr Wilson:** In terms of the income verifications, first of all, there are good procedures and policies. I recall one time working out in the garden being called in to answer a telephone with a Globe and Mail reporter on the other end of the line asking me about a particular instance that happened down in southwestern Ontario, where apparently one of our housing managers, maybe overzealously—I would certainly put it in that category—had charged an imputed rate of return on a pre-paid funeral expense.

So in terms of the way in which incomes are divulged and exposed, it seems to me that there's a lot of ways in which you can try and get the information but in the final analysis it is up to the honesty of the individual in dealing with those. But housing authority staff have, in my opinion, very clear directions and procedures to follow with respect to income—first of all getting the information, and secondly calculating income.

**Mr Carr:** What this is saying, and again it isn't me and maybe if I could refer it to the minister, the problem is—I appreciate you answering the question—basically, if people want to cheat they can. Regardless of how much we're spending, everybody wants to ensure it goes to the most needy. Basically what we're saying, and the auditor's been very clear about it, is, if you lie, you're never going to get caught.

Maybe I'll ask this of the minister: Knowing that the auditor in 1991 identified that, is there anything you will be doing to ensure that these procedures are indeed being followed? They aren't now, and what I'm hearing now, forgive me, is that there still is nothing in place to ensure that if somebody comes in and says, "My income is this," we ensure that's exactly what it is.

1630

**Hon Ms Gigantes:** I don't know quite what you have in mind.

**The Chair:** First of all, there was the auditor's response. You were given a response to the auditor to the question, and that might be an area to start building on. What did you promise the auditor and has that happened? That might be helpful.

**Mr Carr:** There was a response that was put in there, of course.



**The Chair:** While Mr Wilson's checking that, as a former chair of a housing authority I recall that none of my constituents lied about their income; they just left an awful lot unsaid.

**Mr Carr:** The whole problem with the whole thing is that we've identified and the public is now aware that basically we don't do any checks, not even any random checks. I guess the big concern I've got with the whole issue is that the auditor identifies major problems of where there are abuses, spends a great deal of time to see and go through. From an auditor's report I can understand where some of these problems would arise, but when an auditor reports them and we still, months and months later, don't have any answers to it, one wonders why the auditor does this, if we can't get an answer.

If we want to talk about \$24 being wasted, on a per-person basis the amount we could be potentially abusing through this is a tremendous amount. As a result of what the auditor did, what did you commit to the auditor to do? Do you remember?

**Mr Wilson:** Specifically, in writing to the auditor, we said the OHC will reissue instructions to the LHAs emphasizing the importance of complying with income verification policy. The policies and procedures are quite detailed and are quite complete in terms of how they go about determining what the individual's income is and what those assets are and what the imputed rate of return is to be charged on those assets in order to calculate total income. In this particular case, what we have done is that we've indicated to the auditor that we are going to—

**Mr Carr:** And there's now a follow-up? Now that that's been done, whatever date that was done, are you confident that this particular problem has been rectified? If so, maybe you can give us what the follow-up was. What has happened as a result?

**Mr Wilson:** There's what is called a business meeting between the housing manager and the field staff, a member of our staff operating out of our regional offices. In those business meetings, issues that are raised, such as this, and particularly any directives that go out to housing authorities, are reviewed with the housing manager to determine on an individual basis whether he or she has complied with that direction, and if not, why not, and what is he going to do about it? I can't give you verbatim each one of the 56 responses, but I can assure you that has been gone into with the housing manager and the housing manager is responsible for following up on that.

**The Chair:** Mr Carr, your last question.

**Mr Carr:** On the same page—and I'll get into another area, and what I maybe could do is table some of the questions and write the minister on them—there were some other concerns. It's entitled "Inconsistent Treatment of Higher Income Tenants." It says, "In cases where 25% of the tenant's income reported was higher...we noted that some LHAs followed the strict 'rent geared to income' policy while others did not." The bottom line in that, and I think this is very important for the minister to hear, what the auditor said, is that, "This inconsistent treatment produced inequities and may deprive more needy tenants of

affordable housing." Could you be specific, and again it might be somebody different, with regard to what the auditor said about that? Is there anything you've done to ensure that has been corrected?

**Hon Ms Gigantes:** No, because there hasn't been a policy decision that it should be consistent. That's certainly something we will consider as we move forward in terms of the policy work within OHC, but there has been no determination that there must be consistency. The auditor has raised it as a question and we will think about whether we want to try and have one policy across the board.

**Mr Carr:** Mr Chair, just on a point of order: If I did send some of these questions, because unfortunately we did run out of time, would it be possible to get some—

**Hon Ms Gigantes:** That will be just fine. Yes, we would be glad to try and answer them.

**Ms Harrington:** I have three questions. I'll give you all three and you can do whatever you wish with them. First of all, in my riding, and I'm sure this is reflected across the province, people who are developing non-profit housing certainly have come to me, even before I was elected, about the process. I know we're addressing that through the framework, and it is a very important initiative we're taking. My question is, how do you see the process working in terms of cutting the red tape? I don't expect you to have all the answers yet, but just so we can take back to our ridings how we hope the process will be improved and in what ways.

Secondly, the question of mobile homes is an important one across the province. Are you willing to make a commitment that this is going to be a viable option in the future for housing in Ontario? Obviously, with zoning by-laws and restrictions and changes and environmental concerns, people in mobile home parks are facing lots of questions and lots of difficulties in the future.

Thirdly, Ms Poole raised—I don't see too many of the Liberals—

**Ms Poole:** I'm listening to every word.

**Ms Harrington:** Good. She raised the question about the necessity of a diverse range of answers to the problems of housing across Ontario. Instead of just one or two directions, a complete picture is obviously going to include a broad range of answers and initiatives. Coming to my mind, of course, is working with the private market sector, the non-profit and the co-op sectors, the land use initiatives, the intensification initiatives and of course, to give credit to the previous government—and Ms Poole is still here—its access to permanent housing to address the actual people who are homeless. I would ask you if you could give us your vision, briefly, I guess, as to the various parts that are needed to address housing needs for all of the people of Ontario.

**Hon Ms Gigantes:** I'll try to brief in the answer. The allocations process is one that Ms Harrington focused on first and asked what kinds of changes we might make that would streamline the process. I think one of the things which has been most difficult for community-based groups, including municipal non-profit organizations, when it comes to trying to work with the housing programs

we've had over the past few years has been to understand what the criteria are and get early enough indication about the likelihood of a particular proposal being one which will be looked on with favour.

Certainly I have found in just a year, going through discussions with community-based groups around the allocations process, that there's a lot of feeling of frustration simply because they feel they don't understand enough about what it is that the regional offices are being asked to look for. We have made a commitment to the third sector that in the redesigned housing programs which will carry forward the 20,000 units under Jobs Ontario Homes we will be striving to have clarity in the whole process.

The deputy uses the word "transparent." We want it to be transparent, we want it to be understandable. I think that will go a long way to making people feel happier, knowing what the ground rules are and how the choices around allocations are going to be made and knowing them beforehand and getting current information as the process goes along.

We'll also be looking, once housing is up and operating, to having a much more streamlined management system so that third-sector housing providers will not have to account for every line in a budgetary item. There will be firm rules about accountability, but they will be much less fussy, detailed and overbearing than the kinds of rules we have used in the past.

Our model in this has been a traditional kind of framework that has been used, starting with federal programming. I think we've adopted that model without really taking into account now that many of the housing providers are large, that they are experienced and that they are just as capable of producing effective management and controlling budget difficulties as any oversight by the province is going to ensure. We think it'll be a benefit on both sides of that partnership.

1640

On mobile homes, there's still work to be done. I had very much hoped that by this stage we would have policy announced, but it is a focus, my personal interest, and I hope that over the next few months we'll be able to move forward with policies that will provide better protection for people who have been living in land-leased communities, because they certainly have suffered a great deal in the existing framework.

The Landlord and Tenant Act and the new rent control legislation will apply. They will ease some of the difficulties for them. They certainly won't solve all their difficulties, particularly in situations where, either for environmental reasons or because of development pressures, there is the threat of closure of land-leased communities and there is no alternative for the people who own homes in those communities. We are working on that and I hope it won't be long before we have some major moves to bring forward.

One other item was the diversity of policy. It's quite true that there's no one policy or two policies that are going to address all the needs of what is a very complex housing market and a very complex set of housing needs in Ontario. I think the focus, what we consider most im-

portant, is becoming clear now. We certainly have had no hesitation in saying that rent control and the development of assisted housing in the non-profit sector and non-assisted housing in the non-profit sector are key. We think that helping to protect consumers on the question of affordability in rents, and providing an ongoing and increasing supply of housing that is affordable to people through third-sector housing, are two key elements of our policy, but certainly they are not the complete range of policies that we think are important to contribute to an overall framework.

We are working within the ministry to develop what we're calling a strategic plan for ministry work and we should be able to report that out within the not-too-distant future. That will give people, I think, a much clearer sense of how we want to frame our approach overall.

**Mr Drummond White (Durham Centre):** I have actually a couple of areas of interest.

**The Chair:** You have three minutes in order to cover them all.

**Mr White:** I won't be able to get through them both, but I could start off with some of the information I see on your slides: the changing nature of families in Ontario and consequently the changing need for housing stock of different types. We have an increased number of elderly people in our community, and of course single-parent families. So the traditional unit, the detached home with five bathrooms, becomes increasingly ridiculous.

**Hon Ms Gigantes:** Five bathrooms?

**Mr White:** In my area I know people who can't afford to raise children, but they can somehow manage to have a two-car garage and five bathrooms for the two of them and their family.

Regardless, the issue really is the diversity, the change in family style. Certainly many people are looking to have accessory apartments and they're very disappointed that it's taking so long for legislation to come through. People are losing their homes as a result because of the tough economic times. They're disappointed about the time it takes to do those things. Is your ministry engaged in looking at how we, as a government, and how your ministry can intercede to reflect the changing dynamics in family life?

**Hon Ms Gigantes:** In fact, we do have ongoing discussions with the people active in the private market and certainly with those who are involved with the third sector, with non-profit housing, about precisely the questions you are raising: What is the nature of the market? What is effective demand? Where is demand ineffective in that there's a need but people can't afford what they need, and how do we address that? Also, the changing views of people about what type of housing is appropriate for them; as I said earlier, I do believe we are going through a kind of shift in the view of a large portion of the population about where it is they want to live, whether they're keen on becoming a new home owner or they're happier with a small place downtown that they may rent. All these changes in views of lifestyle and the changing nature of the family, and who has the money and what they want to do with it, all these are fascinating areas of both



speculation and study by many of the actors in the housing market.

Certainly the Ministry of Housing tries both to track what people are sensing about the market and also to encourage those changes in our own structures and policies that will help support what we think will be beneficial in the longer run. One area, for example, is the area of intensification. It's certainly not something that was discovered when this government came to office. It had been part of the earlier housing policy statement consultation and information of the previous government.

It's becoming more and more obvious to more and more people, I think, that if we're going to have livable cities and if we're going to have livable communities within those cities, we're going to have to think anew about how we provide services, whether we need the intensity of services that we used to, because we can find ways to save water use and save on infrastructure that we didn't take advantage of before.

There are a lot of these elements that I think are coming together in people's minds about what the communities of the future are going to be like, which are probably going to be—and this is my guess—quite different from what we've seen as new developments over the last 10 to 20 years.

**Mr White:** They've come together in people's minds. Surely that's happened some time ago. There's been tremendous roadblocks to the kind of housing that's appropriate for the 1990s as opposed to the 1960s. I wonder if you can comment about what those roadblocks might be.

**Hon Ms Gigantes:** While it may never have been appropriate, I think we're certainly discovering that there are drawbacks to suburban sprawl, greenfield development, dependence on the car, all these kinds of patterns that took hold very firmly.

There is an increased interest, there's a professional interest, there's a commercial interest, there's a planning interest, and I think there's an interest on the part of people in using techniques that make more effective use of urban land and provide for the comforts that can come with good planning of more intense use of urban land.

1650

**The Chair:** And on that note, Mr White, we'll hold those thoughts perhaps for when we have an opportunity to do the estimates of the GTA. We're in summary position now, and if I might offer to Ms Poole three or four minutes for any closing comments and/or final questions, then I'll offer the same to Ms Marland and the minister. Please proceed.

**Ms Poole:** Because of the time limits today, there is a significant number of questions we did not actually get to, so we will be filing these with the ministry and asking for a written response. One of the areas we really did not have time to go into at any great length was the area of non-profit housing. There was a number of questions we had about that; we touched on it briefly when we talked about a review of the program.

There are other questions, particularly dealing with capital, for instance, where the ministry's capital budget has decreased from \$133 million to \$86 million this fiscal

year. At a time when it's almost desperate to have capital work done on our housing stock, questions like that did seem to me to leap out, begging for an answer.

We had also hoped to have an opportunity to talk to the minister about the Provincial Auditor's report, specifically that the Provincial Auditor found that there were a number of non-profit projects which are not complying with the funding condition that requires 50% of deep-need placements to come from a local housing authority's waiting list. We had wanted to talk about that, because that was last November's auditor's report, to see whether there had been improvements in that particular system. So we do have some questions there.

One of the things that has disturbed me is to see a number of programs which are actually being funded less this year than last year. Where on earth I put them I don't know, but they're in here somewhere. One of them has been the low-rise rehabilitation program, which I think is an excellent program. It was established by the previous Liberal government and has been continued by the NDP, but the funding for the 1992-93 budget is \$2.3 million in funding for low-rise rental rehabilitation; that's down from \$28 million last year, which is just an astronomical decrease, again at a time when our housing stock desperately needs it.

The other one is the rooming house rehabilitation program, which is down from \$5 million in 1991-92 to \$3 million in this coming year. I think that is separate and apart from the initiatives of the Rupert Hotel Coalition. I had one other number in that regard: Last year, \$5 million was allocated in the budget of the rooming house program; of that, only \$500,000 was spent. When you don't spend \$4.5 million in a particular program in a year, I'm wondering what the commitment is. This year, it's going to be \$3 million, but is that money actually going to be spent?

The convert-to-rent program, again down significantly: \$11.8 million to \$3.5 million. Those are all the types of questions, and many more, that we will be tabling with the minister.

**Mrs Marland:** One of the areas I would flag now at the end of our time is the area that we interpret as being a \$4-million loss to the Ontario home renewal program for disabled persons. As the advocate and the spokesperson for disabled persons for our caucus, I'm very concerned about it. This was not a newly created anti-recession program but rather a program which had existed since 1987, and I give credit to the former government because it was extremely successful.

**Mrs Caplan:** Would you say that again? Louder.

**Mrs Marland:** The program provided loans of up to \$15,000 to home owners to make housing modifications that increase accessibility for disabled occupants. Minister, we need to know why you've taken \$4 million away from housing for disabled persons. Why are you trying to hide the fact that you are cancelling a long-standing program with language that suggests it was a short-term anti-recession program? Why not tell the truth that you provided additional temporary assistance under the anti-recession program but are going ahead with your plans to cancel the

Ontario home renewal program for disabled persons? That's a very significant question that's important.

One other thing I'd like to flag: How many outstanding appeals were there when the former Rent Review Hearings Board member, Rosalyn Hazelle, resigned from the board and became vice-chair of the Social Assistance Review Board? We'd like an itemized report of the outstanding appeals for Ms Hazelle at the time of her departure, including appeal number, address of the building, the date when the appeal was filed, the time that has elapsed since filing, the hearing's history and the section number of the act under which the appeal was filed. The reason that I ask is that I have received a number of complaints regarding a number of outstanding orders affecting thousands of tenants when Ms Hazelle left the RRHB.

It was interesting when I thought I heard the critic for the official opposition refer to Ataratiri this afternoon as being a worthwhile project. We have divergent opinions on that. I would like to receive a detailed breakdown of all expenses incurred by the government of Ontario with respect to the now-defunct Ataratiri housing project in Toronto. Please identify the amounts year by year, item by item and in total.

Apart from the question of the condition of the soil and the land, I have to tell you, when the former government announced Ataratiri, which was then called the St Lawrence Square project, the same day it was announced, I identified in the House the fact that it was a contaminated area. Obviously, for once I was proven right.

Thank you, Mr Chairman. I too would like to thank the Ministry of Housing staff for their, as usual, direct, capable answers to us. I know it's not easy coming in here, not being fully sure what it is we're going to ask. I want to mention Mr Glass particularly, because I think he was probably prepared but put on the spot by my question about the luncheon at the Old Mill, and I appreciate his direct answer to that. We're glad to have had the five hours, Minister, with your cooperation and the cooperation of your staff.

**The Chair:** I think, Mr Glass, we'll go to the Old Mill and investigate it personally one afternoon. Anyway, Madam Minister, your closing summary or remarks.

**Mrs Marland:** Take me.

**The Chair:** Take Mrs Marland with you, please.

**Hon Ms Gigantes:** Let her pay.

**The Chair:** I'm going to end up getting the bill anyway.

**Hon Ms Gigantes:** Mr Chair, I'd like to thank all members too. I will try to touch very briefly on some points which I think have been left hanging loose.

Just to begin, I should point out to Mrs Marland that I made an announcement last Friday that OHRP-D would be continued, with \$15 million funding over the next two years.

**Mrs Marland:** Oh, did you?

**Hon Ms Gigantes:** Yes, and that has come through the Jobs Ontario Capital fund. It will meet the backlog of requests that are on the list over a two-year period.

**Mrs Marland:** Last Friday meaning three days ago?

**Hon Ms Gigantes:** That's correct.

**Mrs Marland:** I haven't had my couriered news release yet.

**Hon Ms Gigantes:** That's right, but you should feel confident that this program will continue. It's a job creator and it's certainly welcome in the community. I'm well aware of that.

1700

To come back for a very brief moment to the question of apartments in houses, obviously we'll have continuing discussion on this item. I very much appreciate the comments that have been made, but I want again to reinforce my position that we will proceed with this. I want to remind members of this committee that there has been provincially funded consideration and community discussion of this item in community after community around Ontario, particularly in the last two years, as municipalities, particularly the major municipalities, undertook revision of their official plans to incorporate the principles of the housing policy statement. I know of debates in many communities, including my own, on this very item.

The public has been heard. Municipalities have been heard and have expressed themselves, on the whole, through inaction. We have to come to a decision about whether to drop that as a major part of our housing policy in Ontario because it's been totally ineffectual within that housing policy statement—nobody's followed it—or to proceed with it. The decision is that we proceed. The consultation is to make sure that we proceed informed by comments from all interested parties on how to make good legislation on this item. The studies have been done, and they were done in connection with official plan amendments.

Garden suites are a very different question. Mrs Marland should understand that what we have tried to do is not to provide that garden suites will be ripped out of people's backyards after 10 years, but to provide comfort to municipalities so that the agreements they enter into with private home owners who establish garden suites are ones they can see an end to. Otherwise, they will feel pressure to prevent the establishment of garden suites in neighbourhoods.

**Mrs Marland:** How would you see an end to them?

**Hon Ms Gigantes:** The terms of agreements can go as long as 10 years and they are renewable, but that gives municipalities some sense that they are not open-ended constructs which will be sitting in the neighbourhood for ever, and we thought of that generating neighbourhood opposition. We have done pilot projects on this policy initiative, as you know, and that is not to have them torn out but to provide comfort to municipalities.

It has been mentioned by both Conservative contributors to this discussion that funding for the assistance of non-profit housing is at the level of \$1 billion. It is not. It was not when the opposition Conservative Party had its opposition day on the subject of housing policy; it will not be \$1 billion until 1994 or 1995.

I looked up the OHOSP figures, as I promised I would. Since 1988—I think I had previously referred to 1987—85,000 homes in Ontario have been purchased using OHOSPs, and there have been 180,000 plans put in place.



In other words, 180,000 individuals have registered OHOSPs.

The pace of allocations is something I did not address earlier when we were dealing with the question of allocations in the non-profit housing program. We've gone through a pattern over many years now in which we get great clumps of allocations. A minister will end up announcing 3,500 at once and 6,500 at another point, and everybody gets confused about what's happening.

**The Chair:** Pending elections have a way of doing that to governments.

**Hon Ms Gigantes:** No, there's no pending election over the last year. The difficulty is that you set your own targets and goals for a program and, in order to know whether you're meeting them, you like to do a bunch of allocations all at once. But we're hoping we're going to be able to develop the sophistication in our allocations process so that we will be able to make allocations announcements at a more regular pace—that we won't have to wait six months between announcements, that in fact we will be getting the stream of development coming in a more even flow across the province. Those are all the things that we dream up in the Ministry of Housing.

**Mrs Caplan:** Can I expect the question I asked earlier, regarding not just the MUPs for capital but the average ongoing over a period of 10 years?

**The Chair:** Yes. You can expect that question, but not now.

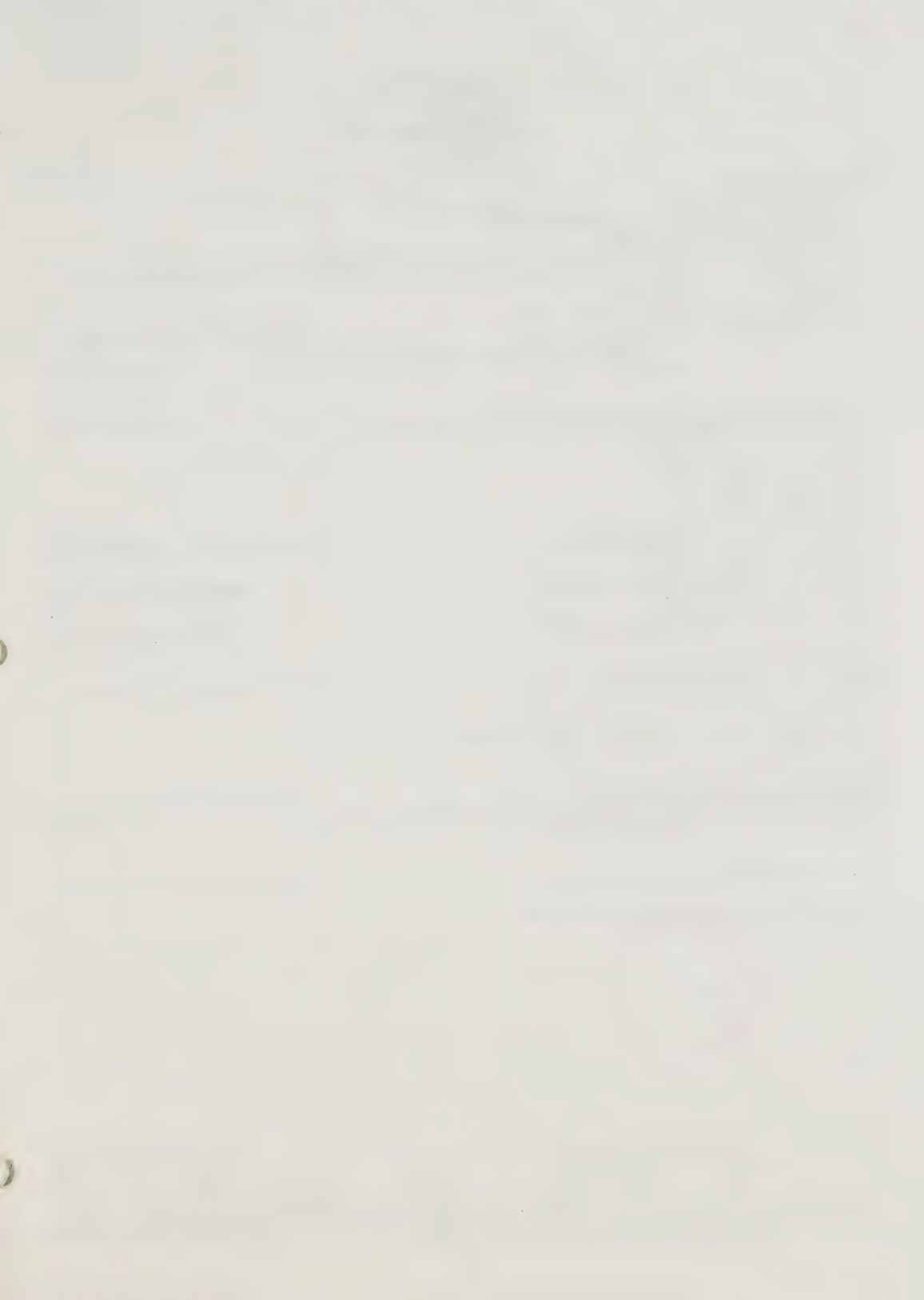
We have completed the five hours allocated to us by the Legislature to review the estimates of the Ministry of Housing. Having completed those, I am now prepared to proceed to call the votes, if everyone is ready.

Votes 2101 to 2106, inclusive, agreed to.

**The Chair:** Shall the estimates of the Ministry of Housing for fiscal year 1992-93 be reported to the House? That is carried.

I'd like to thank the minister and the deputy and the staff and legislative staff for completing these estimates in record time in the middle of our summer break. This committee stands adjourned until 10 am tomorrow, at which point we will commence the estimates of the Ministry of Transportation.

The committee adjourned at 1708.





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### STANDING COMMITTEE ON ESTIMATES

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- \*Vice-Chair / **Vice-Présidente:** Marland, Margaret (Mississauga South/-Sud PC)
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  - Frankford, Robert (Scarborough East/-Est ND)
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  - O'Connor, Larry (Durham-York ND)
  - Perruzza, Anthony (Downsview ND)
  - Ramsay, David (Timiskaming L)
  - Sorbara, Gregory S. (York Centre L)
- Substitutions / Membres remplaçants:**
- \*Caplan, Elinor (Oriole L) for Mr Eddy
- \*Gigantes, Evelyn, (Ottawa Centre ND) for Mr O'Connor
- \*Harrington, Margaret H. (Niagara Falls ND) for Mr Bisson
- \*Mahoney, Steven W. (Mississauga West/-Ouest L) for Mr Sorbara
- \*Marchese, Rosario (Fort York ND) for Mr Ferguson
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- \*Poole, Dianne (Eglinton L) for Mr Ramsay
- \*Waters, Daniel (Muskoka-Georgian Bay/Muskoka-Baie-Georgienne ND) for Mr O'Connor
- \*White, Drummond (Durham Centre ND) for Mr Frankford

\*In attendance / présents

Clerk pro tem / **Greffier par intérim:** Arnott, Douglas



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## Legislative Assembly of Ontario

Second session, 35th Parliament

## Official Report of Debates (Hansard)

Tuesday 25 August 1992

### Standing committee on estimates

Ministry of Transportation

## Assemblée législative de l'Ontario

Deuxième session, 35<sup>e</sup> législature

## Journal des débats (Hansard)

Mardi 25 août 1992

### Comité permanent des budgets des dépenses

Ministère des Transports



Chair: Cameron Jackson  
Clerk pro tem: Lynn Mellor

Président : Cameron Jackson  
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# LEGISLATIVE ASSEMBLY OF ONTARIO

## STANDING COMMITTEE ON ESTIMATES

Tuesday 25 August 1992

The committee met at 1006 in committee room 1.

### MINISTRY OF TRANSPORTATION MINISTÈRE DES TRANSPORTS

**The Chair (Mr Cameron Jackson):** I'd like to call to order the standing committee on estimates. We've convened this morning to do the estimates of the Ministry of Transportation. We are pleased to welcome the minister. Minister, you have up to 30 minutes for your opening remarks, the text of which, I believe, you've already had the clerk circulate. That's appreciated very much. Minister, we're in your hands.

**Hon Gilles Pouliot (Minister of Transportation):** Thank you, Mr Chairman. Members of the most essential of services, colleagues and friends, it is a pleasure to appear before this committee to review the 1992-93 spending estimates for the Ministry of Transportation.

Before I begin, I would like to take a moment or two of our time to introduce Gary Posen, who is the recently appointed deputy minister with Transportation. We have a world of expertise at Transportation. Each and every field of endeavour is ably represented by people, and they will be only delighted to serve, and at times to please. If you have any questions, technical questions or otherwise, we will answer to the best of our ability. Failing an immediate and spontaneous answer, we can look forward in a relatively short time to getting the detailed answer you may wish to have. Of course, members of our political staff also wish to send special greetings to two gentlemen, Mr Sorbara and Mr Turnbull, who are respectively the critics for the official opposition and the Conservatives and members of the Legislative Assembly as well.

The mission of the Ministry of Transportation is to facilitate the mobility of people and goods through transportation systems and services that promote economic competitiveness and social development, are integrated, safe and environmentally sensitive and reflect the needs of Ontario's diverse population. In my view, the most important words in the mission statement are "reflect the needs of Ontario's diverse population." What good are roads, transit, railways, airports and marine transportation if they do not provide the people who pay for them with that need and want?

Nous comptons tous sur notre système de transports pour nous rendre au travail, visiter des amis et la famille et obtenir des soins médicaux. Nous utilisons les transports pour nous rendre aux magasins et faire notre épicerie, et les magasins comptent sur les transports, bien sûr, pour recevoir leurs marchandises.

I can say with pride that the people of Ontario—the auto worker in St Thomas, the miner in Sudbury, the mail or forestry worker in Marathon and of course the banker on Bay Street—now have access to one of the best trans-

portation networks available in North America or the world today. The challenge is to maintain the best transportation system possible, given our current economic conditions.

In determining our work plan and preparing our budget for this year, we had to consider many factors. We all know that revenues are lower and we must temper our spending, but we also recognize capital spending is important to the economy of Ontario. Government capital spending enhances economic activity and productivity by increasing the return on private capital. Investment in transportation networks allows for efficient and cost-effective distribution of goods and services.

Ontario's comprehensive transportation services help attract new economic investment, creating new job opportunities, of course, for the people of Ontario. This enhances Ontario's quality of life and helps encourage even more investment.

Capital investment in our transportation system also puts people to work. Road construction alone provides jobs for more than 16,000 people. Capital spending is an investment in Ontario's future. It is estimated that for every dollar spent on highway construction, about \$2.50 worth of economic stimulus is provided to the Ontario economy, providing more jobs for Ontarians.

The Ministry of Transportation is targeting capital spending to provide the most benefits for the taxpayers of Ontario. For example, the widening of the Queen Elizabeth Way in the Burlington-Hamilton area will greatly improve the traffic capacity of the highway, encouraging industry to locate in Ontario. It also provides hundreds of much-needed jobs for the people of this province.

Our planned capital spending for 1992-93 is \$1.83 billion, of which \$118 million is part of the Jobs Ontario Capital fund announced by the Treasurer in his budget. Our actual capital expenditure for 1991-92 was approximately \$1.84 billion, including of course \$80 million in one-time anti-recession funding. We have maintained our capital spending levels despite the recession and the drop in government revenues, and despite claims to the contrary by Her Majesty's loyal opposition and members of the third party.

The Jobs Ontario Capital fund is a five-year, \$2.3-billion fund to create jobs, support economic restructuring and promote community and social programs. It's intended to create immediate jobs that strengthen Ontario's transportation systems. That's exactly what the Ministry of Transportation is doing. Transportation construction projects are labour-intensive, and the funding we have been given will provide work for more than 4,000 people across the province.

An additional \$21.8 million in Jobs Ontario Capital funding from the Ministry of Northern Development and



Mines has also been allocated for highway improvement projects in that special part of Ontario, northern Ontario.

The ministry will address the fundamental priorities set out in the provincial budget. We will create jobs, we will maintain important services, and we will control our expenditures.

The provincial deficit and the spending pressures on social programs make it imperative that new ways be found to finance and pay for capital projects. There have been many suggestions. One approach that gives the province maximum flexibility is the establishment of a separate capital financing corporation. Such a corporation will make it easier for the province to proceed with essential capital projects when costs are lowest and jobs are needed most. No business or individual would try to pay for capital expenditures out of their current-year income. Indeed, when people buy a home, they spread the payments over several years.

**Mr Gregory S. Sorbara (York Centre):** Generations.

**Mr Pouliot:** Establishing a capital corporation would allow us to pay for new highways over a period of years, as they are used. Under the present system, we report the expenditure for new highways as they are built.

We are also looking at how we can work with the private sector to find innovative ways to finance new roads, highways and other transportation projects, including transit. I've also spoken with the people who use our transportation system—truckers, motorists, transit passengers and cyclists—to ensure that our transportation services play a significant role in Ontario's economic renewal.

Provincial support for municipal road work is another investment in Ontario's economic renewal, creating jobs for the people of this province and making sure our businesses and industries remain competitive. Townships and municipalities across the province have been allocated \$735 million in their base transfer payments from the Ministry of Transportation this year for local road projects. That's a 1% increase from last year.

As part of our ongoing effort to ensure that Ontario has the best possible transportation systems, I have had the privilege of meeting mayors, reeves and local councillors to discuss the needs of local townships and municipalities and to consider ways we can work together. This spring we met with municipal officials across the province. In meetings in such places as Timmins, Kingston, Owen Sound, Thunder Bay and Waterloo, senior ministry staff, myself and George Dadamo, our parliamentary assistant, sat down with representatives of local municipalities to discuss ways to provide services more efficiently. These meetings give all of us a better understanding of each other's concerns as we proceed towards a common goal. The result is improved relations between the municipalities in the province and, most importantly, assurance that Ontario's taxpayers receive full value for their money.

As a matter of fact, this effort is already bearing fruit. Our ministry and the township of Muskoka Lakes have agreed to share sand storage facilities at one of our patrol yards, saving money for the province and, of course, saving money as well for the township.

Voici le genre d'effort collectif et de coopération que l'Ontario devrait adopter en vue de relancer son économie. Présentement, et dans ce même esprit de collaboration, nous participons également à un projet de démantèlement dirigé par le ministère des Affaires municipales. En effet, nous avons entrepris des discussions avec nos partenaires municipaux afin d'établir des relations de travail qui profiteront à tous les Ontariens.

In addition to good streets and roads, the people of Ontario enjoy some of the finest public transit systems in North America. Transit is democratic. It is used by people at all levels of the social spectrum.

Interjection.

**Hon Mr Pouliot:** It provides a cost-effective and environmentally friendly way for people to travel within our cities, Mr Sorbara.

The province is providing \$504 million this year to support and improve public transit in communities across Ontario. Many people feel more is needed, and I agree, but we must be especially prudent in today's economy. This year's funding is 1.4% higher than last year's.

We are also working with the Toronto Transit Commission to see if there are ways we can help in its effort to bring trolley buses back to the streets of Toronto.

Interjection.

**The Chair:** Excuse me, Minister. Mr Sorbara, please, we'll extend the same courtesy to you in about 10 minutes.

**Hon Mr Pouliot:** I welcome the reminder that courtesy and good manners are traditional in this committee. Thank you, Mr Chairman.

In addition to the municipal transit funding, \$194 million has been allocated to GO Transit, with almost \$115 million designated for capital projects. We are continuing our efforts to expand GO Transit service to as many people as possible in the area surrounding Metropolitan Toronto. GO rail service was extended to Burlington earlier this year, and work on the Oshawa extension is on schedule with service to begin in 1994. We are also studying extension of service to Cambridge.

GO bus service will also be expanded later this year to include Stoney Creek, Bradford and a new route between Newmarket and Scarborough, and it is my pleasure to tell members of this committee that work should begin within the next few months on two major transit projects in the greater Toronto area: The extension of the Spadina subway system in North York and the Spadina light rail transit project in downtown Toronto.

We're confident these projects will provide many benefits, including thousands of new construction jobs, while helping to increase transit use, which has obvious environmental benefits. But dollars don't tell the whole story. We're also working with the transit operators to improve service to riders, to fair integration and service coordination.

In another effort to help the province's municipalities, our ministry and the Ministry of Municipal Affairs have established transit supportive land-use planning guidelines to help municipalities plan communities that are transit-friendly. Many of the guidelines can be implemented with

little or no cost. Copies of the guidelines, of course, are available here today for members of the committee.

In discussing our planning for the transportation needs of the people of Ontario, I'm proud of our new policy of transit accessibility for people with disabilities. Effective next July 1, all new transit buses must be equipped with low floors and other accessible features to qualify for government subsidy. In addition, all transit operators must sign an accessibility agreement with the ministry by January, 1994. This document will identify the operator's accessibility goals and a plan to achieve them.

GO Transit is continuing its program to make its trains accessible. GO will spend \$3.3 million to have 42 of its bilevel cars modified to allow wheelchair users to board the trains. Making transit more accessible will benefit Ontario industries.

In fact, Ontario bus industries are already a leader in North America in designing and building fully accessible transit vehicles. Our commitment to providing fully accessible transit will stimulate further technological advances and create new economic opportunities for Ontario businesses.

Ridership on specialized transit services has doubled in just the last five years. These services will receive \$41.4 million from the province this year, an increase of 4%, reflecting our commitment to support these essential services.

1020

One of the aims of the recent restructuring of the ministry is to treat all forms of transportation as part of one system regardless of mode. As a first step in implementing this approach, we are developing a transportation blueprint for the Niagara Peninsula and eastern Lake Erie area. This strategic transportation planning study is looking at the future transportation needs of the region and its people and businesses. It is examining the integration of road, rail, air and water transportation, including urban and intercity travel.

The study will involve consultation with the public, business, interest groups and all levels of government. It will clearly identify transportation priorities for the Niagara region and provide planning direction.

Planning for the future is an important part of the work carried out by the Ministry of Transportation. Our planning includes a strong commitment to protecting the environment.

In our efforts to make transportation more environmentally friendly and reduce people's dependence on the private automobile, we are promoting high-occupancy vehicle lanes and car pooling lanes, already in use in parts of the greater Toronto area and Ottawa, are designed solely for transit buses and private vehicles carrying three or more people.

Our ministry has also developed computer software to help municipalities and large companies set up ride-sharing programs. This software is available without charge.

In these days of increased concern for the environment and awareness of physical fitness, many residents of Ontario, particularly in our larger cities, are using bicycles as their preferred means of transportation. For many other

people it's an economic choice. Whatever the reasons, we support increased bicycle use.

Major revisions to the ministry's bicycle policy, which we recently announced, will have a positive influence on the future of cycling in this province. The new bicycle policy recognizes cycling as a legitimate mode of transportation. Ten years ago, when the policy was written, the bike was seen solely as a recreational vehicle.

Safety was a major consideration in the review of the bicycle policy. In 1990, 29 cyclists died and 3,700 were injured. One of the primary safety issues that keeps coming up is the need for bicycle helmets. The standing committee on resources development is examining the issue in the private member's bill introduced by Mme Cunningham, the member for London North. I want to certainly pay tribute. The member has been a tower of strength and has brought to the attention not only of the Ministry of Transportation, but more important, of the cyclists, of the people of Ontario, the need to wear bicycle helmets.

Mr Dadamo, who has played an active role in the committee, certainly readily acquiesced and has conveyed to the member for London North that we will work collectively to recognize the efforts. Our administration values the philosophy that people come first—there is no need to be partisan, certainly not all the time—and supports the member for London North's effort, diligent indeed. I appreciate the work done by the member.

We will proceed with this bill after we receive the committee's recommendations. We encourage cyclists of all ages to wear bicycle helmets to reduce injuries and fatalities and anticipate that bicycle helmet use will become mandatory in approximately 18 to 24 months.

Earlier this summer employees from our ministry had the opportunity to participate in Kidsummer by organizing a bicycle safety day at Downsview headquarters. All the children who came learned how to safely use their bicycles and had fun doing it. A good time was had by all. It was well attended, and people are asking for an encore next year and looking forward to this annual event.

One of our ministry's most important priorities is safety. Our highway safety record is improving, but it's still not good enough. We must do more. One of the actions being taken to improve safety and provide better service is the creation of a new crown corporation that will be responsible for all aspects of road safety and driver and vehicle licensing.

The Ontario Road Safety Corp is to be in operation by the fall of next year and will work closely with private industry and community groups, sharing advice and information. It will identify opportunities for partnerships to develop and fund new and enhanced safety programs. It will provide convenient service to the public and more efficient use of tax dollars. Of course, the mandate behind the corporation's effort will be to improve safety on our roads.

The corporation will be responsible for ensuring drivers have the proper skills and attitude. It will also give us a way to monitor and improve the performance of high-risk drivers. I will soon be appointing a committee of experts in



relevant fields to advise me in getting the corporation up and running.

Other safety initiatives, such as a system of graduated licensing, are also under consideration. This requires careful study to ensure we can design a system that is workable and fair to all Ontario drivers.

There were 166 fewer deaths on Ontario roads in 1990 than the previous year. Increased seatbelt use, fewer incidents of drinking and driving and a reduction in traffic volumes contributed to the decline in deaths.

Coordinated and integrated public education campaigns by MTO, other ministries, police forces and the insurance industry aimed at increasing seatbelt use in Ontario are working. A survey conducted by Transport Canada indicates 83% of Ontario drivers are buckling up, compared to 72% two years ago.

Almost a third of the drivers killed in 1990 were speeding, made unsafe lane changes, failed to yield the right of way, disobeyed traffic signs or were passing unsafely. These actions are best described as driving aggressively. To help make people more aware of the dangers of aggressive driving, we cooperated with private industry and Ontario's police forces in a public campaign this spring.

Periodic on-highway safety inspections of intercity buses have been implemented to enhance the safety of the travelling public. The random inspections will help determine safety code compliance levels and answer industry's request for more effective and visible enforcement. The vast majority of buses checked so far have been safe.

In May the Ministry of Transportation participated in the annual 72-hour commercial vehicle safety blitz. The Roadcheck is an international effort involving all Canadian provinces, all US states, Mexico and Puerto Rico. More than 190 MTO employees at inspection sites across the province were involved.

Commercial vehicles with serious mechanical defects, drivers with improper licences and drivers who exceeded the safety code hours of work were ordered off the road. The percentage of trucks taken out of service was about the same as during the last two years and remains a serious problem. The most common reason for taking a truck off the road was improperly adjusted brakes. We are talking in terms of defective air brakes. A lot of work needs to be done there.

I will chair a task force of trucking industry executives to find solutions to the truck safety issue. Other members of the panel will be senior officials from the member companies of the Ontario Trucking Association. This is a good commentary on the Ontario trucking industry. Even in the face of serious economic problems, Ontario's truckers are taking the lead and want to work with the ministry to improve safety.

We are also working with the Ontario trucking industry to help it adjust to the difficult conditions imposed by the recession and deregulation. I have had many conversations with people in the trucking industry about how we can help them adjust.

We are also continuing the moratorium on new trucking licences and will be regulating the load brokerage industry. Load brokers act as agents between truckers and a

company needing goods transported. Brokers find a trucker to haul the load, collect the payment from the shipper and then pay the trucker. In the future, load brokers will have to be registered, post a bond and set up a trust fund to hold money owed to truckers so the workers can get a fair return on their labour.

In addition, we are examining educational opportunities to help truckers become better business managers. We are also looking at regulatory changes that will help truckers and the industries they serve better compete in the North American market.

As you look at our estimates briefing book, you will see it has changed. Our method of reporting estimates and spending reflects the organizational changes made within the ministry during the past two years. This format makes it easier to track ministry activities. Ministry staff are here to help draw comparisons to spending from previous years.

The reorganization of the ministry was designed to give ministry employees greater responsibility and accountability, to improve efficiency and effectiveness and to integrate policy, planning and program delivery.

One of the key efforts was to maintain our high level of service in keeping with the expectations of the taxpayers of Ontario. An example of our service is the project to help ensure fair treatment for people who buy and sell used cars. Unfortunately, we have in Ontario a small group of people commonly known as curbsiders. These people sell cars that are unfit or have liens against them to unsuspecting buyers. In some cases, the buyers have lost thousands of dollars and the sellers can't be found.

#### 1030

Effective next April 1, when a used car is sold it must be accompanied by a vehicle history and lien search provided by the government. This document includes the names of previous owners of the vehicle and indicates if any liens are registered against the vehicle. This change has been welcomed by the legitimate used car sales industry and will help protect the interests of both the buyers and sellers of used cars.

I'm also pleased to inform the members of the committee of another good example of our effort to provide better service. Effective today, we have added the Korean language to the growing list of languages that may be used when taking the written driver's licence test. Ontario residents can now choose from 13 languages when taking that test, a step in the right direction reflecting the world mosaic. We're pleased to provide this service.

Malgré la crise économique, les changements au sein de notre organisation nous permettent de répondre aux demandes d'un service à la clientèle amélioré et plus rapide. Nous sommes en mesure de nous concentrer sur la redéfinition de nos priorités en matière de prestation de services et de gestion de notre réseau de transports.

For many people in this vast province, air travel is an important part of that network. For many it is the only practical way to visit friends or to reach medical care. As I told members of this committee last year, many parts of my constituency are only accessible by air for part of the year.

Airports are an integral part of Ontario's transportation system. Earlier this month, I joined the Minister of Northern Development and Mines at ceremonies marking the official opening of new facilities at three locations across northern Ontario: at Sandy Lake, Wunnummin Lake and Pikangikum. Our ministry has developed an outstanding reputation for working with people in local communities to develop and expand airport services in remote areas. It is a tradition we will continue.

We will also continue our tradition as supporters of marine transportation. Earlier this year, we had the pleasure of officially christening the Jiimaan, the new ferry service to serve Pelee Island. The vessel was built by Canadian Shipbuilding and Engineering Ltd in St Catharines, providing direct employment for 185 people. The Jiimaan is expected to increase agricultural potential and enhance tourism in southwestern Ontario, thus contributing to Ontario's economic renewal.

Comme je l'ai dit plus tôt, le gouvernement et les entreprises ont dû changer leur façon de fonctionner. Dans un sens, ce changement a été salutaire car il a de nouveau mis l'accent sur l'importance du service à la clientèle.

Although most of the services we provide cannot be obtained elsewhere, we have as much responsibility to provide timely and courteous service to the public as any business. As the foreword of the report on improving service quality, the Ontario government states, "Our vision must be to commit to high-quality service delivery that achieves the best value for tax dollars anywhere." That vision is the driving force behind our ministry's efforts to improve our service to our customers, the people of Ontario.

**The Chair:** Thank you, Minister. As is our custom, we will listen to responses from the official opposition for up to 30 minutes and the third party up to 30 minutes, and then the minister has about 25 minutes to respond, if he so chooses. At this point I'd like to recognize Mr Sorbara.

**Mr Sorbara:** Let me begin just by saying I enjoyed listening to the minister deliver his comments. I think, to be fair, he has found his feet in the ministry and the ministries that he's now responsible for. I know that he's very much committed to the vision, if I might refer to it, that concluded his remarks. To quote it again, "Our vision must be to commit to high-quality service delivery that achieves the best value for tax dollars anywhere." I take him at his word that he personally and his ministry are very much committed to that vision.

The Ministry of Transportation—and its predecessors, the Ministry of Transportation and Communication, and "Highways," as so many people still refer to it—I think has been one of the outstanding branches of the government of Ontario. I don't think there's any doubt about that. When you go over the history of the province right back to its earliest days, I think that part of public administration in Ontario has been generally well served, notwithstanding the criticisms that the now government, then opposition, used to level at the government and its ministers from time to time during the course of its time in opposition. They should look up those comments because we expect that the

days in which they will be needing them are not really all that far away.

As I listened to the remarks made by the minister I guess the thing that struck me in these opening remarks is not so much what the minister said but what was left unsaid. I'm going to get into that in a second, but I just wanted to note a couple of things that sort of jump out from the written text and the remarks that the minister read into the record.

I notice he refers to the fact that the ministry is contemplating the creation of a capital corporation or an investment corporation or a new way of financing road building in Ontario. I want to say to him that those new structures are all well and good, but it would be inappropriate to compare the need for a capital corporation to the financing of capital projects in the private sector, including the metaphor that he used of an individual financing his or her house by way of a mortgage, and capitalizing that expense.

Governments are financed on a completely different model. If you say that we'll be able to do a lot more in highway construction once we can capitalize those costs and take them out of the expenditure side of the province's annual budgets, it's simply to put up a smokescreen, because those expenditures are capitalized, in any event, in the form of a provincial deficit. Whether you put those expenditures in the annual deficit of the province or in the overall accumulated debt of the province, that's simply an accounting fiction. It does not reduce the cost of borrowing the money necessary to build the roads, nor can it any longer be used as an excuse for not doing what you should be doing in the area of capital works in the province.

I noticed as well that you talked about new ways of financing roads, highways and other transportation projects, including transit. One wonders, when you say that, whether or not we are talking about creating toll roads in Ontario. We haven't had toll roads in Ontario for quite some time. I don't think we even have any toll bridges any more. The Burlington Skyway used to be a toll bridge; I think it was perhaps the last.

1040

But rather than making allusions to "We are...looking at how we can work with the private sector to find innovative ways of financing new roads," why doesn't the minister simply come out openly and honestly and put before this committee the things that are being considered, rather than just alluding to looking at new ways of financing? That doesn't mean that you need to have an indelible commitment, but if you are investigating the possibility of toll roads, or the private financing of the transit system or indeed public highways, then let's hear about it openly and honestly. Simply come clean with the people of Ontario and tell us what is being considered, rather than doing it behind closed doors and making some sort of splashy announcement once the decision has been made.

On page 5 you referred to the fact that "We are also working with the Toronto Transit Commission to see if there are ways we can help in their effort to bring trolley buses back to the streets of Toronto." That's an interesting political comment by the minister, because it shows a clear bias for the use of the trolley rather than the use of some



other bus, whether it be a natural-gas-powered bus, a diesel-powered bus or indeed a gasoline-powered bus. I'm wondering why the minister takes such a strong position on this issue in his discussion of modes of public transit.

I know that the issue before the TTC and Metro Toronto is very difficult and troubling. There are significant costs involved in operating and renewing the trolley bus system. I, for one, used to ride them all the time and found them very attractive, but I think your colleagues in the Ministry of the Environment would question the wisdom of bringing back the trolley, because it represents a kind of double conversion of energy: generation of electricity at the power plant and then the transmission of that energy across power lines and into trolley lines, and then the conversion of that into a mode of energy in the form of moving the bus down the road. I know that's been part of the discussion as well and I'm just frankly very surprised that the minister's taken such a strong position on it.

I'm glad to see that you're publicly stating your commitment to get on with the construction of the Spadina subway extension in its first phase up to Sheppard Avenue. I would have preferred, however, for you to make an absolute and unequivocal recommitment to the Let's Move project initiated by our government, which does include an extension of that subway, potentially all the way to York University. I simply put on the record that the extension of the subway to York University and then looping along Steeles Avenue has now been approved by the TTC and that the environmental assessments are well under way, to be completed soon. I would like to hear the minister stop beating around the bush and simply make a public commitment to finance that subway construction along with the other components that were committed to in the Let's Move initiative.

I want to put on the record my own view that the most important of those initiatives, and the one that deserves top priority, is the extension to York University, which is a city within a city of almost 50,000 people. More than that, the extension of the subway to York University will enhance the ridership of the underutilized University-Spadina component of the subway system. It will dramatically change transportation habits and modes in the northwest of both Metropolitan Toronto and York region and offer services which are currently not available to the entire northwestern portion of the greater Toronto area, including York region and all the way over to Peel.

I would like to see the minister, rather than beating around the bush and equivocating on rapid transit construction, say that those systems are going to be financed. If we could hear just that one thing from the minister during these estimates then they will have been worth all of the time all of us are taking to participate in them.

I noted that the minister referred to curbsiders in his remarks and said that shortly, when the system is in place, effective next April indeed, he will put an end to curbsiding. He couches this whole thrust as an initiative to protect unwary purchasers. My own experience is that these unwary purchasers are few and far between. What really is going on here is that the ministry and the government are

making a tax grab against those few people who are understating the purchase price of used cars.

I guess that's all right, although I think these are the people least able to add to the coffers of the province. But what I really resent is that the minister's couching this in a statement in which he says he's going to protect the purchasers of these cars. This system is going to be very expensive, ultimately, to operate, and the sad news is that the increased tax revenue is going to be probably fully offset by the new systems that are going to be put in place.

The real beneficiaries are, as noted in the minister's remarks, those people who are in the legitimate business of selling used cars. He says indeed that the legitimate used-car sales industry is supportive of the initiative. Of course they are, because what's going to happen is that people are going to stop the individual, private transactions and will have to go through this industry. They certainly are delighted that the minister has enhanced their ability to make their businesses profitable.

Finally on the minister's remarks, I just want to refer to his statement about bicycle helmets and bicycle safety. No one can fault the ministry for its commitment to safety on the road, whether it be for pedestrians or for bicyclists or for motorists or for commercial operators of motor vehicles. I would not criticize in the least the minister's comments about the good work done by the member for London North in promoting her view that the wearing of bicycle helmets should be mandatory.

I noted that when the minister changed his position two or three months back he was quoted as saying, "We're sold on helmets." In fact, it was such a cute little quote that he received note of it in the Saturday edition of the daily Toronto Star. So the minister has decided that we're going to make bicycle helmets mandatory. That's a great public relations gesture, and it's a great opportunity for the minister to get quoted here and there.

But, frankly, I want to tell the minister, with all due respect to him and to the member for London North and members of the public who think that it's high time that everyone who rides a bicycle should be put in the category of a quasi-criminal if he or she does not wear a bicycle helmet when riding a bicycle, I think if there were a list of 100 things that the minister, or the ministry or the government overall could do to save lives and enhance the protection of the public, the wearing of bicycle helmets would not come within the top 50. I think, frankly, that he ought to think again about whether or not he is going to be bound and determined to turn my son into a quasi-criminal for breaking the laws of the province of Ontario when he rides down to the comic store on his bicycle without his bicycle helmet.

I don't disagree that the minister ought to be promoting safety in every way he can. For example, my son recently participated in a bikeathon, in which he rode 150 km in two days. Part of the requirement for participating in the bikeathon was that he and all participants wore helmets. There's nothing wrong with that: Promote it like crazy; do use all the advertising revenue you can come up with to advocate the wearing of helmets. But to make it illegal takes it a step that I think is frankly unnecessary. If the

minister wanted to save lives, he might want to think about making smoking illegal in the province of Ontario and turning himself and myself into quasi criminals when we indulge in our own private habits.

1050

**The Chair:** That's an attractive offer.

**Mr Sorbara:** There you go. I knew the Chairman of the committee would be very supportive of that. What about swimming? How many drownings do we have a year? Yet the minister is not making it a legal requirement to wear a lifejacket every time someone jumps into a lake or a river in the province.

**Interjection.**

**Mr Sorbara:** Or bungee jumping, for that matter. Let me put it this way: I have grave reservations about making it illegal for every resident of the province to ride a bicycle without a bicycle helmet. It will be great for the bicycle helmet manufacturers. They'll be delighted. Sales will go up and the minister will point to that as well as part of the economic recovery.

I want to get into the meat of these estimates and the meat of the spending of the minister and the ministry in these terrible, brutal, recessionary and depressionary economic times. No matter which way the minister wants to cut it or portray it or dress it up for these estimates or for his budget, the minister has significantly cut his spending in road construction, rapid transit construction and highway construction in Ontario.

He has done this virtually during the same period of time when his Premier has been travelling all across the province and the country proclaiming the obligation of the federal government to involve itself in new, significant infrastructure programs and funding in Ontario and throughout Canada in order to help Ontario and Canada out of the debilitating economic times.

I'm looking at page 60 of the minister's very colourful and very well-organized estimates book. Anyone who wants to know the reality of capital spending for highway construction in Ontario need go no further than page 60 of the minister's estimates book. You will see on that page—3904 is the vote, "Program Delivery Program"—under the column "Total Capital," an expenditure of \$1,714,000,000. That is a reduction from last year's estimates, by the minister's own estimates book, of \$308 million in capital construction, \$308 million less this year allocated in capital spending over what was allocated in last year's budget. The allocation last year was \$2,023,000,000. This year, I repeat, it's \$1,714,000,000, a reduction of \$308 million and change.

How is it that the minister can justify this at the same time as his Premier and his government are arguing that the rebuilding of our infrastructure is going to be one of the things that helps Ontario pull itself out of this depression?

The Premier is not the only one who has been making those arguments to audiences around Ontario. Indeed, no less than the economist John Kenneth Galbraith was in southern Ontario about a month ago saying that if governments would only see that they have an obligation to start

committing dramatic new investments in infrastructure, not only to improve the infrastructure, but also as an economic tool to pull North America out of the depression, then they would be doing something. But Bob Rae has been preaching that, and at the same time the Minister of Transportation has cut back \$300 million out of his estimates.

If it were just spending, I would not be saying that this was a terrible tragedy and a terrible mistake. But it's not just spending. We are in desperate need of funds to rebuild the aging highway system we have and to build a new highway system. Right through my own area, for example, Highway 407 is moving at a snail's pace. Every time I raise it with the minister, he says to me, "That's \$20 million a mile."

I know the cost of building that highway. More important, I know the cost of not building that highway. I say to the minister that what he is doing during his tenure as minister is proceeding with not building that highway. That highway is 10 years overdue. Highway 401, which is the Main Street of Ontario, is clogged beyond belief in the greater Toronto area, and the reason is that we are not getting on with the construction of Highway 407. Every arterial road in the GTA is clogged beyond belief. Goods are not getting to market and people are not getting to work because the roads are clogged.

The minister knows full well that until we get on with rebuilding that system and building the new components to that system, the system itself, his transportation system, which he says is one of the jewels of Ontario, is going to become more and more dysfunctional.

I say to the minister, his remarks were very well crafted and very well delivered. But the reality in these estimates and the thing that we're going to be harping on is that he has cut, in his budget and in his estimates as compared to last year's estimates and last year's budget, \$300 million out of the construction of new capital works in the province of Ontario. That's the thing that he's going to have to answer to as he goes around the province having all those nice meetings with mayors and reeves and officials and members of the Ontario Good Roads Association and all the people who rely so desperately on a good highway and transportation system and a good transit system.

If the minister can justify these cutbacks, he will have performed a miracle, because everything his Premier has said and everything all the experts have said—all of the progressive, all of the forward-thinking experts have said: "Invest in infrastructure. Cut down the other costs of government." When you look at your book, you haven't done any of that. You've made increases in all the paraphernalia of government and you've done it at the expense of road construction.

I say to the minister that you need, some time over the next six months, to have some impact and effect on the Treasurer and on the Premier and on the Chairman of Management Board to ensure that this thing gets turned around.

I want to leave a moment or two for my colleague from Cornwall to comment on these estimates as well, and our



introductory comments, but I want to complete my remarks with one final word about long-term planning.

There was nothing in your remarks about real long-term planning and a long-term vision for the province. You said nothing about high-speed rail. The French and the Germans and the Japanese already have their systems in place. We have done study after study in Ontario and Quebec and Canada about high-speed rail. It will probably take a good 20 years to build the kind of system that is necessary to join, with a new high-speed technology, the province of Ontario and the province of Quebec in the Windsor to Quebec City corridor.

1100

Yet in the middle of your tenure as minister and in the middle of your tenure of government, in these estimates, you say not one word about it. I can only assume, Mr Minister, that the absence of any mention in your remarks of high-speed rail was not accidental. I can only assume that you are so taken up with the side issues and the ancillary function of your ministry, important as those things may be, that you have not yet had an opportunity to do what the great ministers of Transportation can and should be doing in this province, and that is to have a long-term vision about where we ought to be going.

That long-term vision, I say to my friend the member for Lake Nipigon, obviously must include air service to all those remote communities in his riding and other northern ridings. But to give any hope for the generations to come in this province, it must include a long-term vision which has new highway construction as a component, which has high-speed rail as a component, which has new generations of public transit as a component and a dramatic expansion of subway and GO Transit and GO rail services in the greater Toronto area.

Frankly, I saw none of that in your remarks. I see none of that emerging at present from the Ministry of Transportation. I know the officials within that ministry have the capability to craft that vision and to get the necessary planning work done to begin building it. They have the competence. What they need now is one word from the minister. The minister could be a real hero in Ontario, if he would just deliver that word, make it effective around the cabinet table and put some money into both planning and the construction of a new transit system and a new infrastructure for this province. Then, as he leaves office in about two and a half years, he will have left a real mark of distinction in the province and during his tenure as minister.

**Mr John C. Cleary (Cornwall):** To add to what my colleague said, he pretty well covered the brief, but I'm getting many inquiries. As the minister said, the new bicycle helmet law will be in effect in 18 to 24 months. Many of the areas of Ontario have new bicycle trails where families go out and travel leisurely in their time away from the job. The question is—and maybe the minister can answer this—how that will affect the trails and how that would be enforced. Many who have spoken to me think maybe the accidents on trails are very limited and that maybe someone should consider that.

There is another thing I should ask the minister. He refers to 1% increases in the budget this year. I see in the document where legal services have increased by 11% or more.

There is another thing I should ask the minister. Having been a municipal politician for many years, I have to stick up for them and work with them to the best of my ability. In February 1991 the NDP announced that last year's road transfers to municipalities would be \$793 million. In February 1992 he said that the transfers would be \$735 million and he also said that that would be a 1% increase over the previous year. In my mathematics, that doesn't just seem to add up.

Anyway, it's not in his comments this morning, but I know that one thing I get a lot of calls and complaints about—and maybe we'll talk about it a bit later—is roadside maintenance and the grass cutting. Maybe we can talk on that a little bit later. Those are my comments for now.

**The Chair:** Thank you very much, Mr Cleary. I would now like to move to the PC caucus and recognize Mr Turnbull.

**Mr David Turnbull (York Mills):** I'd like to say that I enjoyed listening to the remarks of the minister this morning. I've enjoyed a very cordial relationship with both the minister and his staff. I thank him for that. I wish I could say that with many of the other ministries.

Unfortunately I don't agree with all of his policies but I think that transportation should certainly rise above the politics of the day because these are common problems that we should all put our backs into solving.

I would like to first of all comment on the discussion of the capital account. I think that it's rather good accounting practice that the government has moved to in suggesting that it's going to separate out the capital programs from the operating programs. Much to my chagrin I find that neither the Liberals nor the Conservatives before them did this.

It seems very logical that one should do it, but we should not be lulled into the belief that there's suddenly some vastly new practice that the government is engaged in. Indeed the majority of all of the transportation infrastructure of this province was put in during the years that the Conservatives were in power, and I will be getting to that in a little bit more detail later.

We should not fool ourselves into believing because we're presenting the numbers in some different way and we cannot exactly account for how many dollars were spent by previous administrations that previous administrations did not operate a capital account. It was just that their accounting methods were different. Indeed, I would further comment that it would behoove us in Canada at all levels of government to have a standardized accounting practice which was more in line with business methods so that we could hold governments to account for what they have or have not done.

I've repeatedly pointed out to the minister in the House that he's spending some \$308 million less on capital allocations this year than last. Now regardless of how he may claim that money is being spent by the Jobs Ontario Capital fund, it still remains quite clear that there are \$308

million less this year, or 15% less in the capital account this year, despite the fact that Mr Rae has trotted throughout Canada and proclaimed that the federal government should be spending more on infrastructure.

This is patently ridiculous when you consider that any tax dollars that are going to be spent by the provincial government, if it gets the money from the federal government, who's going to pay for it? The taxpayers of Ontario, because Ontario is the largest taxpaying province in Canada, and to the extent that the provincial government would like to spend money but get the federal government to gather it for it so that it takes the blame, this is absolutely ludicrous.

To the extent that the provincial government is now talking about disentanglement, it in fact would like to disentangle some of the relations with municipalities so that it is clear who is raising the tax and who is delivering the service. In the same way it would be appropriate for the provincial government finally to come clean and be honest with the fact that there is only one taxpayer in Ontario and that is the Ontario taxpayer. They don't magically get any money from Newfoundland or Quebec or Saskatchewan. It is the Ontario taxpayer who pays for any capital infrastructure.

This government campaigned on a promise that it was going to increase spending on such projects as the Trans-Canada Highway. You will recall, Minister, that there was the suggestion contained in your election platform that you were going to spend \$100 million a year on four-laning the Trans-Canada Highway, and in fact last year at Transportation estimates you will recall that I asked and identified from you the fact that there were only \$3.5 million spent on that project last year; in other words, 3.5% of your annual promise.

I would like to have some more honesty in the way we present programs and the honesty has got to be the fact that if we're going to spend money on infrastructure, and it is indeed desirable, we have to recognize that we should be taxing it at the level of government that is spending it, and that means you, Minister.

1110

Moving along to some other matters, it has been described that Ontario is the engine of the Canadian economy. I think tragically the engine is grinding to a halt because of the starvation of our transportation system, which is lagging behind. We have both a deteriorating and a non-functioning capacity in Ontario.

The provincial government must assume a role in coordinating the funding of the provincial transportation system.

When we turn to roads, we can state that the backbone of the transportation system of Ontario is in fact the road system. We have to date spent some \$25 billion in investment in the road system, but it's congested, overused and underrepaired. A healthy economy runs on a healthy road system. Road maintenance and construction must be given a higher priority.

The Ministry of Transportation's share of the provincial budget has shrunk from 13.5% to 5.2% of the budget over the last 17 years, and the neglect has taken its toll. Vehicle registration has increased by over 85% in the last

two decades. Nearly six million people, or about two thirds of the province's population, hold valid driver's licences. Our roads and highways were mostly built in the 1960s and the 1970s—significantly, years that the Conservatives were in power—to accommodate the demands of passengers at that time. Those demands have increased dramatically but the improvements to the road system have not kept pace. Despite the increase in vehicle registrations, licensed drivers and increased travel on the Ontario road system, we have seen that the road system has grown by some 0.5% to 1%; another frightening statistic, Minister, 0.5% to 1% that the road system has increased in a decade.

It has been estimated that traffic congestion costs \$40 million to \$50 million each year to the cost of goods in Ontario. By 1997 it's expected that 50% of the cost of moving goods through Metro will be directly attributable to congestion. The congestion on the roads cannot be cleared up without a strong government commitment to restore our roads. A significant capital commitment that will increase road capacity and improve deteriorating roads is absolutely vital.

Your government has been unwilling to face the problem. By its own admission, the government confirms that 50% of all provincial roads and highways are in poor to fair condition and about 28% of all municipal roads and streets are inadequate according to ministry standards.

I'd like to turn now to an issue that the minister knows that I've got a great deal of interest in and that's graduated licensing, and you mentioned it before. During the past year we have unfortunately seen the deaths of too many young drivers and passengers. Statistics show that 40% of all of those killed on our highways are teenagers. Clearly, the statistics indicate that young, novice drivers are severely overrepresented in traffic accidents. Authorities believe that considerable driving experience is required before novice drivers achieve dependable driving skills and judgement.

A graduated driving licence system would enable novice drivers to gain experience while reducing the exposure of inexperienced drivers to high-risk driving situations. The graduated licence system program aims to control the conditions under which the novice driver gains driving experience and to gradually integrate him into the traffic environment. A similar licensing program has been in place in New Zealand for three years and has reduced the number of traffic accidents involving young drivers under 25 by a substantial percentage.

Minister, I know you're interested in this, but I do feel that your ministry is moving far too slowly on this very urgent issue. I'd like to know exactly when you will be coming forward with changes to the regulations to allow for the changes so urgently needed to save lives.

An issue which came up in the last few weeks of the last session was a contract which was given to Mr Wally Majesky. Your ministry signed a contract with Wally Majesky to conduct a human resource planning audit. This study was untendered, unsolicited and, according to the ministry's first blush at it, also unneeded. I made the accusation in the Legislature that this is purely and simply a pork barrel scheme directed by an NDP minister to feed



taxpayers' dollars to well-known labour consultants and NDP supporters. The Minister of Health managed to obtain the services of Jack Layton as a consultant for a \$300-a-day fee. Why is the Ministry of Transportation paying Wally Majesky \$800-a-day consulting fees?

I understand that almost \$20,000 has been paid by June of this year and, as of last week certainly, your ministry informed me that the research study did not even have finalized terms of reference. In other words, they've already received \$20,000 and there are no terms of reference finalized. This is absolutely disgraceful and this is not what you're supposed to be doing with taxpayers' money, Minister.

Could the minister list all of the other subsidies being funded by MTO where the terms of reference are not decided before money is allocated and spent? Could the minister list all of the other studies being carried out by MTO that were unsolicited?

The question of vehicle and driver licensing offices: In June 1992 you detailed the development of Ontario's first Road Safety Organization in the Legislature. I quote your words, "The new organization will handle all services and programs related to road usage in Ontario."

In this speech, the minister pointed out that the Road Safety Organization "will also improve customer service, making transactions such as licence renewal or vehicle registration easier for Ontario drivers....The new organization will not duplicate existing services. It will take over all existing road safety programs and customer services currently provided" by the Ministry of Transportation.

Minister, your statement contradicts previous statements regarding the closing of licence issuing bureaus. There is a question of your credibility here that should be addressed. As a minister of the crown, you must be aware that people listen to you and make business decisions based on what you say. I know of at least one case where an owner of a vehicle licensing office bought his building because you said in the Legislature there would be no changes. I am aware of others who have signed five-year leases for their premises because they believed you. I ask the minister to respond to those who feel betrayed and misled by him.

In the estimates handbook, the ministry lists one of the objectives of the road safety agency as "to improve the work life of staff." What staff is this referring to, and would the minister please define exactly what this statement means? These offices run on 3% of the money taken in, certainly a very modest fee. They provide a service to the public in a polite and efficient manner. Could the minister please explain how he foresees how this new road safety agency will, quoting your words of June 3, "provide a new standard...of customer service in driver vehicle licensing and registration"?

The ministry has received funding from treasury board for testing self-service kiosks. Given the dismal state of our economy, it doesn't seem to be wise to use money to undertake a costly venture when the present system is inexpensive and reliable. Could the minister please explain what plans his ministry has for dealing with the elderly, who will find these machines confusing and difficult, those

who lack basic literacy and numeracy skills, those who lack skill in either official language and those who do not have a credit card?

1120

Will the minister guarantee that there will be no job losses because of the new program? I'm not talking about the first year of the new program; I'm talking about two or three years down the road. I don't want you, Minister, to use this excuse, "Okay, we're moving the responsibility to this new crown corporation," and then the crown corporation can sack them and then you can say, "It wasn't my word that was broken." Minister, people are buying buildings or they're signing leases for these offices based upon your word and they are very worried. I would like a very clear and unequivocal answer to that question today.

Licence offices have always had the freedom to select the bank of their choice. Lately they have been requested to do all banking at either the Canadian Imperial Bank of Commerce or the Bank of Montreal, even when it means switching banks. Why?

The relationship between MTO and the new road safety agency is not clear. It would appear as if policy development will be the responsibility of the agency while enforcement will be administered by the MTO. I ask the minister if this is not the exact opposite of what common sense would expect: that the ministry would be responsible for policy and a government agency would be responsible for enforcement.

The new road safety agency has been given very broad powers for fund-raising. Will the minister please explain why such broad-ranging powers were necessary? What answer does the minister have to the private sector industries that feel threatened when a government-owned agency has the right to compete in any area? I would direct you to the terms of reference of this agency. They can virtually engage in any business they want. If they wanted to open a restaurant, under the terms of reference they could.

With respect to the relocation of the ministry to St Catharines, the Ministry of Transportation's head office move to St Catharines will involve the relocation of some 1,400 positions with a payroll of approximately \$49 million. In March 1991 your government reconfirmed its commitment to relocate to St Catharines after several months of discussions which concerned the urban boundaries and the location of the office site.

The current economic state of the province has once again thrown the completion of this program into a tail-spin. The \$800-million move has not been cancelled due to the government's financial straits, but it has been delayed. The move was to have begun this year but now will not be started until 1994. I'd like an update from the minister on the move to St Catharines. Is it moving on schedule, or what? What is the timetable we are currently looking at for the move and what are the costs incurred so far in making the move? What is the present status of the new head office building and is it still going to come in on budget at \$234 million?

The last survey you conducted showed that only 38% of head office staff were willing to move. What plans have

you made to hire and train new workers to take the place of those not willing to work? What measures are in place to find new jobs for those not moving? I do sincerely trust that it doesn't mean you're just going to pad the bureaucracy in Toronto by that number of people in other ministries. What measures are in place to find new jobs for those not moving? What is the cost of the new hiring and training program and the repositioning of those workers left in Toronto?

Turning to the trucking industry: Last Christmas, Minister, the Legislature passed Bill 129. The Conservative Party worked very hard with you on amendments to the legislation to reflect the various aspects of the industry and the concerns that were brought to us. It's my understanding that the regulations are still not in place for this legislation.

Last year, on October 23 during estimates, I asked you a very specific question: Will you have available the regulations at the time of second reading? Your answer was, very simply, yes. Minister, I guess this answer has the same credibility as your answers about the licensing offices.

I understand there are difficulties in two areas. Load brokers do not contribute their own money to the trust fund. I've had some rather unusual phone calls from load brokers recently, where it has been suggested by ministry officials that, to the extent they don't have money yet from the shipping companies, it would be appropriate for the load broker to feed the trust fund. That would be an absolutely unusual situation, Minister, to have brokers feeding a trust fund. The whole idea of a trust fund is, money comes in, in trust, to be held. But your ministry officials have been saying otherwise to load brokers, and I would like an explanation of that.

Measures will be taken to ensure that shippers are protected from legal action from carriers if the broker has already been paid. At the moment, the suggestion is by your ministry officials, apparently, that even if money has been paid to the load broker, the shipper will not be held harmless; that potentially if the load broker for any reason defaulted and did not pay, the shipper would still be liable. That seems like a double jeopardy, and I think we have to address that, Minister.

I've been assured that these problems would be solved, but your ministry officials don't seem clear, and we've had several discussions with them. So, Minister, can you tell me why not, why we haven't got some clarity on this? When will these regulations be made public? As well, I'd like to see a copy of the regulations. When will we see the new regulations and when will they be put into place?

I'm giving you this great, long shopping list and there will be other questions during the course of the next two days, but I think these are key questions.

Turning to International Barrier Corp barriers, you've got to be aware that IBC barriers cost approximately three times the price of concrete barriers, and the sole supplier is an American company. The research to date that I have obtained under a freedom of information request from your ministry does not show superiority in safety or maintenance.

During a recession, when so many Ontario firms are having a difficult time and the government is under pressure, could you please justify why your ministry has decided to pay large increases in the costs to get these products from an American company in order to experiment further with this product? I am aware of the fact that there have already been experiments by your ministry in years gone by, so it isn't that you don't have the results.

How much longer do I have, Mr Chair?

**The Acting Chair (Mr Gary Carr):** About five minutes.

**Mr Turnbull:** Turning to PMCL bus lines and the Ontario Northland Transportation Commission dispute, once again the ONTC has found itself embroiled in the centre of a dispute with private sector business. The operation of the ONTC bus service from Toronto to Barrie and North Bay has duplicated already existing private sector routes and services provided by PMCL, which is Penetang-Midland Coach Lines.

The two have entered into a dispute over ONTC operation outside its mandate by servicing routes in the Simcoe county area and the scooping of passengers through the acceptance of competitors' tickets on overlapping routes. I think there is a dangerous precedent in this, Minister, and I want to have a very, very clear understanding of what actions you're going to take before today ends.

My party is opposed to the government directly competing with private sector business. PMCL is waiting for a final meeting with the ONTC to settle the matter. Can the Minister of Transportation direct the ONTC to drop routes that compete in this unfair way against private sector industries, or is the minister trying to drive the private sector out of the transportation industry?

Our old favourite, the Red Hill Creek Expressway: The decision of the government to withdraw the funding for the construction of the Red Hill Creek Expressway was said to be based on environmental reasons.

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**Mr Sorbara:** Political reasons.

**Mr Turnbull:** Yes. In March it became public knowledge that the Transportation minister had been previously informed that alternative routes for construction were not viable. I would ask the Minister of Transportation why he threw out 10 years of planning which had been improved by all the necessary levels of government and by the courts. When we talk about the need for spending on infrastructure to get the Ontario going, here's a project that's ready to go, Minister, but for crass political reasons it was killed.

The minister's decision, you must know, has destroyed the public's confidence in the planning process, and while I accept the fact that you did not kill the present route, Minister, I would expect you to bring some good sense back in the decision to reinstitute this route. There can be no argument about the tremendous economic and social benefits this highway would bring to the region of Hamilton, and \$70 million has already been spent on this project and is now just wasted money. I urge the new Minister of Transportation to review his government's anti-expressway stand.



The increased cost of highway signs: I understand that there is a proposal before your ministry that would see that the annual cost of small signs along a provincial highway increase from \$45 to \$300 and large field signs from a flat charge of \$76 to \$8 a metre, with a \$250 minimum. Needless to say, such permit increases are outrageous. A lot of signage is done by ma-and-pa people, motels, craft stores, small restaurants and of course rotary clubs and so forth.

The NDP felt that landlords should be restricted to inflation plus 3%. How can you contemplate this kind of price gouging of small business across Ontario? These new fees might drive smaller, weaker businesses away, but larger, more financially stable businesses, which I suspect probably are unionized, would probably continue to use this form of advertising. Could the minister give his justification for this large increase, in the recession?

Non-commercial signs are being removed. I understand that MTO has decided there are many signs along the highway that cannot be allowed. No more will it be allowed that such as service clubs can put up signs on the highway. Mr Sharbot, spokesman for MTO, has admitted there will be a waiting list of 30 to 50 names for any advertising space that comes open. That's for small signs.

The county of Oxford has recently written to you stating the county believes that the setback distance for signs along the major highways is too onerous and creates the need for large structures in order for signs to be visible and legible. The county believes that a review of the ministry's sign policy is necessary to enable municipalities and private interests to better promote tourist attractions and services.

Minister, I understand that in reviewing the policy with regard to highway signs you've reviewed it but no changes are contemplated that will affect field advertising. Would the minister please detail the changes his ministry is looking at and the direction in which this policy will move? Would the minister please explain what impact the request from Oxford county had on the decisions made?

Minister, I wrote to you in June concerning a problem one of my constituents was having. The Langstaff community was given a commitment by your ministry that it would have continued access to Highway 7 when Highway 407 was built. However, the planning for Highway 407 seems to ignore this.

Minister, this seems to be the way your department is operating. How long does it take to receive an answer from you? When might my constituent expect to see action taken to correct this oversight? This is the matter, you will recall, Minister, I had a private chat with you about some weeks ago.

**The Acting Chair:** Mr Turnbull, your time is up, if you could wrap up quickly.

**Mr Turnbull:** I will reserve the other questions I have for the minister during the normal question period.

**The Acting Chair:** The minister now has up to one half-hour to respond to the comments made by the two opposition parties.

**Hon Mr Pouliot:** I welcome the comments from both opposition parties, so ably voiced by their respective critics. There was what I thought was perhaps a departure from form, if I had not known the critic for the Liberals, that started by being complimentary. That point is certainly well taken. It showed a human dimension which is not known to every colleague in the Legislature, and I'm sure it's their collective and individual loss. As they get to know the critic better, they can fully appreciate not only his talents but the fact that he does care for others.

At times it leaves little time to indulge when you're so busy with other endeavours. There's no obvious need to prepare a meticulous list, or any list, regarding alternatives for the role of the critic. It's entrenched here: It's to criticize. I take those points seriously, so I want to commend both critics. They do it quite well. It's not the art of the possible. It's an attempt to dance. "The voice is not quite right." "We've bought a ticket; we were robbed"—whatever it takes. The performance is never what it should have been or what we would have done. No, I apologize, Mr Chair: It's not what we would have done; it's what we have done. Then you begin to understand that the record of the relatively new administration is not one of excellence, given the short time of tenure, but one of constant improvement, dedicated in transportation to putting the needs of the people first, a vision indeed, with some matching dollars.

The critic says there's been nothing done in terms of high-speed rail. Half an hour to highlight, even by virtue of a one-liner, the many endeavours of this ministry in its relationship with every Ontarian. It's so little time, yet there is so much being done—not a sin of omission. It's perhaps one of our highlights, if we'd chosen to list it, but we can't list them all. Six million dollars is being spent: \$2 million from Ontario, the sister province of Quebec and the federal government.

**Mr Sorbara:** It's already spent. That's already done.

**Hon Mr Pouliot:** Excuse me. I'd like to be extended the courtesy not to be constantly interrupted by the—

**Mr Sorbara:** How about periodically?

**Hon Mr Pouliot:** Yes, periodically. I wish you would work on controlling your Latin temperament, Greg.

So \$6 million is being spent. The report is going to reach us; that's consequential. And, yes, it's talking about the feasibility study of high-speed rail in the corridor between Windsor and Quebec City. Mr Guscott would be happy to answer more detailed questions as we go along.

What's happening? When the report reaches us in the fall of 1993, a couple of months more than a year from now, then it will decide yes or no, should it take place and at what cost. It will have a timetable attached to it and should make recommendations on spelling out the responsibilities of the respective governments vis-à-vis a high-speed rail system.

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Yes, we are committed to looking at it, for we're funding one third of the study. In fact, we're going beyond that, for the edification and information of Mr Turnbull. That's right: For every dollar the federal government

receives, 43 cents comes from Ontario. Well, they send 30 cents back and then they tell us how to spend it, but that's okay too. The thing is, I want you to be made quite aware of it.

On the one hand, there has to be reciprocity. They don't contribute one cent to transportation in terms of road building in Ontario; not a dime, not a nickel, not a penny. To my understanding, every other jurisdiction does profit from it; in our case, we do it alone.

When the Premier of this province mentioned that he would match, dollar for dollar, any new capital initiative, of course he meant what he said. We're still waiting. We know it's not in the mail, but we're still waiting for the response.

**Mr Turnbull:** He meant all of your platform in the last election.

**Hon Mr Pouliot:** We're still waiting for the bucks to come across, sir, with the highest of respect, of course.

In the meantime, I guess with those people you don't speak; with those people, you have a rough time making ends meet.

Interjection.

**Hon Mr Pouliot:** You've guessed it. With those people you pay, and that's what Ontario does. So when it does open the door for reciprocal arrangements with our friends at the federal level, it's share and share alike and a "We'll do it together" attitude. I think that's very healthy vis-à-vis infrastructure. Nevertheless, we have respected our commitment, upheld our promise. We're spending the same amount of money in terms of capital.

**Mr Turnbull:** Spending less.

**Hon Mr Pouliot:** Ah, you see, we have a fundamental difference. The way we look at the books could be different. That point is well taken. This is not the kind of endeavour when you deal with figures; would those figures satisfy everyone around the table? This is straightforward. It was mentioned that \$308 million less is being spent. Well, Mr Chairman, it ain't so. I will repeat, it's just not so, because you have to take into consideration the actual spending, not to forget the \$80-million-plus that was a one-shot deal. It was the anti-recession fund and it was understood. The mandate spelled it out. This is to quick-start, to get us out of trouble, to give us a much-needed boost. It's not going to happen every year; it's not an annual event. So we did that.

When you say the money is not the same one year vis-à-vis the next, you have to take that into consideration. Most people would not be so audacious or bold as to advance, encourage and enhance inaccuracies that would border on imputing motives, being non-factual. As a critic, I would say you just don't do those things. There are thresholds. You can perhaps give a certain light to an argument but, if I may be so bold, to twist, create a smokescreen, play with figures, roll the dice until they come out with the number you wish, is a disservice to the people of Ontario. They deserve a lot better.

Then you go on and look at the GO Transit adjustment. Both Mr Smith and Mr Parsons can talk more at length about this endeavour, but that was also a one-time commit-

ment. Some of the money just wasn't spent. You have three feasibility studies and you wish to complete them, but as the fiscal year goes on, your capacity to comply has been usurped; you cannot do it. So if you don't do the work, you don't spend the money.

**Mr Sorbara:** On a point of order, Mr Chairman: I'm having a great deal of difficulty following my friend's rebuttal. Was he suggesting that I was twisting or misrepresenting the figures? What I did was quote the 1991 estimates on page 60 of the estimates book. I didn't draft these estimates books; I'm just quoting them. The 1991-92 estimates are \$2,023,000,000 and change, about \$500,000 in change. I'm comparing that with the estimates for 1992-93, which are the subject of these hearings, at \$1.7 billion and change. The difference, as reported in his estimates book, is \$308 million. I've compared last year's estimates and this year's estimates, as reported in this book. I'm having difficulty following. Is the minister saying I have twisted these figures? They are his figures, not mine. I need a clarification on that so I can understand the remainder of the rebuttal.

**The Acting Chair:** It's not a point of order. Minister, if you want to continue.

**Hon Mr Pouliot:** I welcome the point of view. The crux of the matter, simply put, what is being advanced here, is that in actual dollars the same money is being spent this year; broadly summarized, \$80 million less because the anti-recession program was a one-shot deal. You must take that away from the \$308 million—you're the one who said that, of course—and then the intervention at GO Transit and some of the money that was budgeted but was not spent. If you have estimates of dollars that will be spent and then you compare that to actual money spent, there could be some discrepancy, and that's okay; you can do whatever you wish with that, and we can do whatever we wish. But what we're saying is the actual that's reflected is that the province, the Ministry of Transportation, is spending in capital the same money as it did the last fiscal year.

**Mr Turnbull:** On a point of clarification, Mr Chair: Can I just understand exactly what the minister is saying on this? You're saying that if we take the \$308 million less that you're spending this year, and in some way back out \$80 million that was the one-time shot—are you saying \$80 million was all spent on transportation?

**The Acting Chair:** The minister may want to answer that as he goes through. I appreciate the give and take that goes with the three personalities we have involved here, but it would be helpful if we allowed the minister to continue. Just so everyone knows, I will be in the chair till the end of this morning. The Chairman had an unavoidable family situation. He'll be back later this afternoon. Mr Minister, do you want to continue?

**Hon Mr Pouliot:** I was just about to conclude the point about the ability of the Ministry of Transportation to access the long-awaited job capital program. That was well over \$100 million, as you will recall. That announcement was made in the House, and it was greeted by almost unanimous acquiescence and applause, members being



fully cognizant that it did put people to work. The multiplier that for every dollar spent you get two and a half dollars more was greeted positively, in unison, with people saying, "This is it, this is nuts and bolts, a shovel in the ground, and people will be put to work." They're working on several projects.

I was appalled and shocked, and nothing short of that. It's not my place to ask my friend Mr Sorbara questions.

**Mr Sorbara:** I'm willing to answer questions.

**Hon Mr Pouliot:** But bringing his son, in this case, the cyclist—and 150 kilometres over two days is a lot of cycling. It demands a capacity, a physical form which, if not reached, departed us. I know in my case, if I was to attempt to do that, I would in short order find that my future is behind me. But the member has been generous. He's given me another two and a half years, so I don't have to do it all at once.

To say that he would be charged with a crime, that the mandatory helmet could hypothetically or potentially make the member's son a criminal, well, there's no such thing. I'm sure you would wish your son to follow in your footsteps.

**Mr Sorbara:** Not necessarily.

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**Hon Mr Pouliot:** That is not the intent here. You will recall, what is appalling and shocking perhaps, is that it's almost verbatim, the same approach vis-à-vis seatbelts, and the member would not deny that seatbelts are the order of the day. Ours is not a record of excellence, but our address did attest that it's one of constant improvement that we're very proud of. We have gone from 72% compliance to 83%. This is no small matter.

First there was an education campaign. People took to it, the word got around. Now people see it as normalcy in 83% of the cases. I'm not drawing a parallel or an analogy without validity, but I couldn't help but go back a few years and to say, "Isn't it ironic that this is the same tone?" I guess you never know. I have taken for granted that we were sort of all together in this, that it was commonsensical, that we were going to do it in stages and it was to be well received by the increasing number of cyclists in the province of Ontario.

**Mr Sorbara:** Would the minister permit an interjection?

**Hon Mr Pouliot:** The minister doesn't chair the meeting. You're going to go ahead anyway. You have to go through the Chair.

**The Acting Chair:** If the minister could continue.

Interjection.

**The Acting Chair:** Mr Sorbara, we're going to have a chance for questions very shortly, if we can let the minister finish. We will have time this morning for questions if we proceed.

**Hon Mr Pouliot:** The Spadina subway extension? The point is well taken. I know it's close to your heart. You pay particular attention. Is it in your riding?

**Mr Sorbara:** It's close to my riding.

**Hon Mr Pouliot:** It's close to the people you represent, close to your riding, so you would be familiar, certainly better than most and perhaps as well as any, regarding the need, and your expressions were well taken. I think they spell what you would see as an obvious thing. We have to go through an environmental assessment. You know our administration acts at arm's length; we have to make sure that everything is addressed. But the points that you have mentioned are well taken.

Curbsiders—

**Mr Sorbara:** Tax grab.

**Hon Mr Pouliot:** Well, you've mentioned and now you've repeated that it's a tax grab. You will not deny the obligations from the government to pay what is fair. It is not a tax grab; it is paying what the law of the land says you must pay. If you say it's a tax grab, I find those comments a little bold. I know personally I would not go as far, because I would be so repetitious; I'd have to say "tax grab" 33 times, and you were in office for only five years. But I'm not the one who says those things. You can provoke, but I choose not to respond in this case.

**Mr Sorbara:** I think you just did.

**Hon Mr Pouliot:** The NDP election platform: Again, by attempt to tease—I knew it was said with tongue in cheek. This is not an administration that flip-flops on issues; you know that. This is an administration that adheres, some will say religiously—I will not say this; I would not go that far—but certainly adheres to commitments that it makes. It puts people first, puts a timetable, and regardless of how difficult the times are—we know these are difficult times, but certainly not impossible times—our vision is reflected in the legislation.

Mr Turnbull, on the subject matter of people dispensing the essential service, licences, you have asked the question or flagged that issue four or five times. Your diligence is noteworthy. Four or five times you have had the same reasonable and consistent answer to your request. It was said candidly and simply. You couldn't believe your ears, so you kept asking. You know about the commitment of our government that as long as licence bureaus are under the tutelage, umbrella, if you wish, jurisdiction, of the Ministry of Transportation, there will be no dislocation. It's business as usual, and, heck, we're darned proud of our association with the licence dispensers.

**Mr Sorbara:** Which ministry are you transferring—

**Hon Mr Pouliot:** The move to St Catharines is proceeding on—well, the plans have been revised to accommodate. We have to make sure we listen to all the participants and we'll have people giving you some updates.

Bus service: Mr Turnbull, that can be quite tricky, because sometimes I need your help if it's the responsibility of a body which is quasi-judicial. We all understand that certainly I in my capacity cannot interfere. So sometimes we will follow the channels to make sure that you come as close as possible to getting an answer. Whatever is permissible will be done. Anything else is an invitation to disaster for all of us, but we'll try to answer the questions.

Graduated licensing: You're right, young people are way overrepresented, not only in terms of fatalities and

accidents, and we are studying proposals regarding a graduated licence system. We feel that it's important that we respond to the needs of the general public, that we lessen the number of accidents and fatalities if we can. If by doing so it gives the consumers of the province, the people who buy car insurance, a few dollars more in their pockets, so be it. Then it's a win-win situation. And if it were accompanied by an education campaign which is consequential, which means something, to make all of us better motorists, then again it's a win-win-win situation. If we could have some extra money, then maybe it will generate that, to start addressing head injuries or permanent injuries. I think there are some jurisdictions that are on their way to doing that. We too are going to move in those directions. I hope we do.

We're looking at ways to better the system, but it's like a right and a privilege. You have 6.3 million licensees. You can make it so hard that nobody gets a licence. I mean, it's a privilege to drive the road and you pay dearly for it. By the same token, as an Ontarian, it's partly your right to have access to a system which is consistent and reasonable, and we're trying to blend the two. It's the art of the possible. There's nothing politically crass about that—well, you know us. There's nothing politically crass about that; far from it.

**The Red Hill Creek Expressway:** We had a convention a few weeks ago, our biennial convention, and you were there.

**Mr Sorbara:** I got thrown out.

**Hon Mr Pouliot:** No, no, no. The thing is, if you—

**Mr Sorbara:** No, I got insulted and then thrown out.

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**Hon Mr Pouliot:** No, no. What I'm saying is, we're familiar with the point. You wanted to see the show, but you didn't buy a ticket, so maybe you got the wrong performance. If you want to join our club of social conscience, and we don't pretend to have a monopoly, you are most welcome, but you have to pay your dues.

**Mr Sorbara:** A club that the province can little afford, my friend.

**The Acting Chair:** Mr Sorbara, if we could. Mr Minister.

**Hon Mr Pouliot:** I'm not the one saying this, because I have a lot of respect for the brotherhood of teamsters and for sailors in this country, but it was once said that when the Liberals were in power they spent money like drunken sailors, except that drunken sailors spend their own money. Spend, spend, spend: If we listened to all your proposals we'd be in the poorhouse overnight. We don't want to do that.

**The Red Hill Creek Expressway:** The province is looking for an alternative. The reason the first proposal was turned down is quite simple, and there again we have been consistent: We didn't see it meeting the requirements vis-à-vis the environment.

That is in our opinion, but with the same energy we have sought alternatives and we're working with representatives from the Hamilton-Wentworth region to come

up with an alternative that will do basically two things: respond to the need of the motorist and alleviate the congestion that is evident because it's overcapacitated; you need a new route. Yet, while doing this, you will again preserve the environment. You can address the need and leave a legacy so that the quality of life will not be jeopardized. I know that you would wish to join with us, because when the announcement is made it will be cause for optimism and celebration.

**Highway signs:** A proposal is a proposal. We recognize the need to make programs pay for themselves as much as possible. You can't always do that. There will be no such increase, as cited, from \$45 to \$300. That would be approximately a 600% increase, or thereabouts. Nobody can afford that. That's scaring people away. It was a proposal. I've been asked to look at it. I shouldn't say "I." We work in the collective. There's no way we're going to permit this, not the current minister. You can't do that because you'll end up with people not being able to afford it, so then they don't have a sign and still your costs multiply. You're really no better off. There will be an increase, but it will not be near what has been suggested.

We're certainly listening. That's what communication is all about. It's not going to happen. It's not going to happen to this magnitude or nearly that. People cannot afford it. It's not justifiable. We'll have to start cutting our costs of administration without impacting on the people dispensing the service. I'm talking about their livelihood. It's not a really big department, but we're going to ask some people, if not redeployed, to do something else as well. We're going to work it out, but it's not going to be from \$45 to \$300.

I could go on and on talking about transportation, with our team clarifying or dispensing the information. We'll do that during the question and answer period. When I say transportation, of course it does include GO Transit. I know this was raised. We have people who will be here for the duration of the estimates on GO Transit.

Again, I certainly welcome your comments. I didn't see anything that was vitriolic or acerbic, and my colleagues did not feel provoked, teased or threatened in any way. I see they have their shopping lists. Mr Lessard, for instance, has not lifted his head from the document received from his constituency—some circular—and wishes to address subject matters that are not in the least parochial, but responding to the needs of people in his constituency.

Of course, there are others. I see Mr Waters; I see Norman, so intent, so dedicated; mon cher ami, Mr White, and, of course, George Dadamo, who has worked diligently with different projects as our parliamentary assistant: a soldier at his post, a sentry.

**The Acting Chair:** Thank you, Mr Minister. Your allotted time for the response is up.

What transpires now, of course, is the question period. We have until 12:30, when we're scheduled to break. We can do that in two ways: We can divide it, starting with the Liberal Party—they could go until 12:30, taking the 25 minutes or whatever—then go to the next party, or we can



divide it 12 minutes and 12 minutes. I'm in the hands of the committee. Any suggestions from any of the members?

**Mr Sorbara:** Can we start off with the 12-minute bits?

**The Acting Chair:** Okay, we will start off with the Liberal Party and then go to the Conservatives. That will probably take us to the end. Question, Mr White?

**Mr Drummond White (Durham Centre):** I do have one or two.

**The Acting Chair:** Okay, great. That's acceptable, Norm?

**Mr Norm Jamison (Norfolk):** We're just caucusing here a little bit with our own committee. We thought that possibly we should break and then start through the questions after lunch. Some of our committee members were not aware that this was until 12:30 and have appointments.

**The Acting Chair:** I see by the schedule here we're expected to go until 5 o'clock today so we can get the allotted time. I don't know the minister's schedule, whether he has to leave right at 5 or whether it would be possible to tack the time on at the end, or what his schedule is.

**Hon Mr Pouliot:** I'm trying to be of help, to be flexible. Just as importantly, what is our time?

**Mr Turnbull:** It seems to me if we leave early, we should come back early, so that we're not losing it. No?

**Mr Sorbara:** Two to 5:30 would be fine.

**The Acting Chair:** Yes, we were scheduled from 2 to 5, if you wanted to tack the time on at the end. Some of the members weren't aware that it was supposed to go until 12:30. That was my understanding. Would that be acceptable to everyone?

**Mr Jamison:** Well, we'll go to 12:30. It's just a matter that some of us were scheduled—

**The Acting Chair:** Actually, the way it works out, the two opposition parties will get the time anyway. So if you did have to leave, there won't be time for your questions now anyway. When we start back, we can start with your time. How would that be?

**Mr Jamison:** Carry on.

**The Acting Chair:** Okay. Mr Sorbara, do you want to proceed?

**Mr Sorbara:** Mr Minister, in 1990, in the election campaign, your government committed itself to four-laning of the Trans-Canada Highway and made a commitment of \$100 million a year for this important project. What have you done in furtherance of that commitment?

**Hon Mr Pouliot:** I'd like to ask one of our assistant deputy ministers, Carl Vervoort.

**The Acting Chair:** Would you just identify yourself for the record, please, sir.

**Mr Carl Vervoort:** My name is Carl Vervoort. I'm the assistant deputy minister of operations.

With respect to the Trans-Canada Highway, first let me indicate, as was mentioned by the minister, that there are discussions taking place across Canada with the federal government and all the provinces with respect to opportunities for the federal government to participate in the national

highway system. Of course, in Ontario, this would include that particular portion of Highway 16 being part of the Trans-Canada Highway.

Those deliberations have not concluded but they are still active, so they represent one basis for potential future investment opportunities not only by Ontario but by the federal government.

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**Mr Sorbara:** I appreciate that. My question, though, is more a political one. The minister, the Premier and the other members from Sudbury made a political commitment that if they were elected they would spend \$100 million a year on the four-laning of Highway 69, and particularly the four-laning of that stretch of highway between Parry Sound and Sudbury. I want to know how much has been spent since the swearing-in of the NDP cabinet—that's October 1, 1990, until today—on the four-laning of that highway.

**Mr Vervoort:** I don't have the precise numbers with respect to Highway 69, but I can—

**Mr Sorbara:** Ballpark figures. Is it \$17 million or is it \$10 million? We had a commitment, we had a promise to the people of Ontario that that death-trap would be four-laned. Can you tell us how much has been spent on the four-laning of that highway?

**Mr Vervoort:** On Highway 69?

**Mr Sorbara:** Yes.

**Mr Vervoort:** The information I have here pertains to the limits. They're broken down into three categories on Highway 69. Perhaps I can treat each in turn. The first section of Highway 69 is, starting at the southerly end, from Port Severn to MacTier; it's a distance of 33 kilometres. The status of work there is that we have completed a route planning and environmental assessment report. Surveys and land acquisition and design activities are currently in progress and under way. Capital construction is scheduled to begin from the current year, 1992, through to 1998. The schedule is of course subject to finalization of the property acquisitions.

The estimated engineering costs to date are at \$9 million. That would include the completion of the engineering costs. The estimated property costs on that same stretch of highway are at \$700,000 and the estimated construction costs are at \$90 million. Those expenditures have been made, with the exception of course of the construction costs, which have yet to be initiated.

The second stage of Highway 69 is from MacTier to Highway 555 at Nobel. That is a stretch of approximately 50 kilometres. In that area we currently have in progress route planning and environmental assessment work. We anticipate the completion of that planning work will be at the end of 1993. Thereafter of course it will be submitted to the Ministry of the Environment for its approval, and perhaps that might be expected in terms of late 1994 or early 1995.

**Mr Sorbara:** Can I interrupt you now? I don't need all those details, but can I take from your answer that there

have not been expenditures of \$100 million a year on the four-laning of Highway 69?

**Mr Vervoort:** The expenditures that have been made have been with respect to engineering and planning work.

**Mr Sorbara:** My next question for the minister is this: In the 1990 election campaign the now Premier said that he would significantly increase provincial subsidies to the TTC operations, giving Metro riders the first fare break they've seen after more than a decade of annual increases. Can I ask the minister whether, to his knowledge, there has been a fare break—that is, a reduction in fare for riders on the TTC—during the two years since the swearing-in of the NDP cabinet?

**Hon Mr Pouliot:** I'm going to ask Mr Johnston to set some lines.

**Mr Sorbara:** It's a pretty simple yes or no.

**The Acting Chair:** Sir, could you please identify yourself for the record.

**Mr Gerry Johnston:** My name is Gerry Johnston, assistant deputy minister, planning. The fare levels are actually set by Metro, not by the province, and it has not reduced the fares.

**Mr Sorbara:** No, but presumably if a provincial transfer were attractive enough, you could coerce the TTC to reduce its fares.

**Hon Mr Pouliot:** It's the Liberal style, Gerry.

**Mr Johnston:** What the ministry does is try to establish what is a reasonable target to be received out of the fare box. That has been reduced. That has been dropped from 70% to 68% to place less burden on the users of the system.

**Mr Sorbara:** My problem is that the now Premier promised significantly increased provincial subsidies so as to give rise to a fare break—that is, a reduction in fares. That hasn't happened.

**Mr Johnston:** The amount of money that's been provided to the TTC for operating purposes has gone up.

**Mr Sorbara:** I appreciate that. I realize that.

**Mr Johnston:** It is based on a percentage of their operating costs, with consideration of what should come from the users.

**Mr Sorbara:** But there has been no reduction in fares that you know about.

**Mr Johnston:** No, there has not been a reduction in fares.

**Mr Sorbara:** And the increase that was provided for the operation of the TTC over the past two years wasn't designed to encourage the TTC to reduce its fares to the public, in your view.

**Mr Johnston:** I guess it's a difficult question to answer, because you're really trying to balance about three different factors. One is—

**Mr Sorbara:** Let me put it this way: Were they so different in subsidies prior to October 1990 as to encourage a reduction in fares to users?

**Hon Mr Pouliot:** Is this an inquisition, or do you just want straight answers to straight questions?

**Mr Sorbara:** It's just a yes or no.

**Mr Johnston:** No. We have left those sorts of deliberations to Metro to make that decision.

**Mr Sorbara:** Now, my final question—we'll see how the time runs—in the election campaign in 1990: I'm quoting now from the Toronto Star, "Rae Promises GO Transit Service to Peterborough and Brantford." I want to ask the minister whether there has been a political commitment to extend GO Transit rail service to Peterborough and Brantford.

**Hon Mr Pouliot:** Yes. Thank you, Mr Sorbara. On the previous question, we have to be aware that we have maintained our subsidy level, and that in the face of a serious economic recession—

**Mr Sorbara:** With respect, I just want to know whether there is a—

**Hon Mr Pouliot:** —and also a decrease in revenues. But the commitment goes on, so there has been no problem.

GO Transit is pretty well 100% owned by the people of Ontario, a shifting population. Everybody, it seems, wants GO Transit. We have a definite and systematic plan of attack. We must be cognizant that in many cases you have to satisfy the mandate of the criteria of environmental assessments. We have a step-by-step approach, and we have said in our initial remarks that we plan on expanding the GO system in the not-too-distant future to respond to the needs of the population.

It's obvious to everyone that the demographics are changing. There are more and more people and things are happening rapidly. What we must do, because of our commitment to public transit, is make it accessible to as many people as possible. Public transit is the most democratic transportation system of all. We want to make it a reasonable cost, we want to make it reliable—it is reliable, it is safe—and we want to make it accessible to as many people as possible, including those who are less fortunate from time to time or on a permanent basis—the disabled, the frail and the elderly. That's why we use the term "democratic." We're very proud of the system of GO Transit and are looking at every opportunity to expand it, but it has to be done in an organized fashion. Because it shines we don't just run out and grab it. We recognize the needs, but systematically, deliberately—

**Mr Sorbara:** Now, hold on.

**Hon Mr Pouliot:** —we address them. That's what makes it so exciting.

**The Acting Chair:** Mr Minister, if I might make a quick suggestion here: I know that members, because I've sat on this committee, have got the information and sometimes they feel like they need to jump in.

**Mr Sorbara:** If this was a very good speech on something, I'd like to—

**The Acting Chair:** If I might make a suggestion: If the questioner is happy with the answer, if he or she could



just politely say thank you, then maybe the person could stop. I know it's difficult.

**Mr Sorbara:** Politely, "Thank you."

**The Acting Chair:** If we don't do that, then what happens is that the questioner jumps in. That might be helpful if we could.

**Mr Sorbara:** If I can get him to stop talking if I politely say thank you, then thank you.

I now ask the minister or anyone in the room whether the government is committed in principle to extending GO rail transit to Peterborough and Brantford. It's a pretty simple yes or no answer.

**Hon Mr Pouliot:** I make no apologies for being so caught up in the endeavours of GO Transit. This kind of relevant question deserves more than a yes and/or no.

**Mr Sorbara:** Well, what about a "maybe"? What about, "We're still thinking about it"? What about, "Well, we're backing down and we want to revisit it"? Just let me know. You made a political commitment. You said to the people of Ontario, "If you elect us, we are going to commit funds to extend the train to Peterborough and to Brantford." Are you still on that? Are you going to extend it or not?

1220

**The Acting Chair:** Your time's up. Mr Turnbull.

**Mr Turnbull:** To my colleague to my right, I have to say, it's a bitch if you can't take a joke, eh?

**Hon Mr Pouliot:** What's the joke, that you have a colleague to your right?

**Mr Turnbull:** The joke is to expect your government to keep any of its promises.

Turning to the current transportation capital program, which is in its second-last year, I'd like to know what projects are being funded under this year's amount, which is in your estimates as \$473,233,000. Where will this money be spent? That's the first question.

The second distinct question is, what plans have you got for renewing that program at its termination?

**Hon Mr Pouliot:** Thank you. Carl?

**Mr Vervoort:** In terms of your first question, I have a listing of all of the projects that are receiving financial support under the Jobs Ontario Capital fund. It's quite a lengthy list. I would offer to table that for your information, but I can give you a number account.

**Mr Turnbull:** Hold on a minute. You're talking about the Jobs Ontario Capital fund. I'm talking about the transportation capital fund.

**Mr Vervoort:** Okay. Technically, what has occurred with respect to the capital program on provincial highways is that the base capital expenditures on provincial highways of the last fiscal year, plus the transportation capital projects that had previously been identified under that program—and this year was to have been the fourth year of a five-year program—were consolidated. In fact, in this fiscal year the allocation is determined on two subtotals: the base, which constitutes amalgamations of those previous two programs, and in addition to that there is the second category, which is the Jobs Ontario Capital fund. So for

purposes of this fiscal year, there is only the Jobs Ontario Capital fund and—

**Mr Turnbull:** So the transportation capital program has gone by the boards.

**Mr Vervoort:** The formal naming of that program as such is. The projects that were contained within it continue to be supported either as a base cost of the Ministry of Transportation in its base program, or funds which are targeted under the Jobs Ontario Capital fund.

**Mr Turnbull:** Let me get this straight. You've renamed a program and you're taking credit for the new program, which was launched by the Liberal government, and now we are being told that all of the dollars that were to have been spent on that—we were thinking that in addition we were going to get the Jobs Ontario Capital fund, but in fact we've just rechristened the animal. Is that correct? I think that's more of a political question to the minister.

**Hon Mr Pouliot:** Candidly, what you see in the estimates is really what you get. There are no secrets here. We don't change tags and recycle the same thing. That would border on the dishonest. We don't do those things. If it's a new program, it is a new program.

**Mr Turnbull:** Let's just hold on that point, Minister.

**Hon Mr Pouliot:** Mr Turnbull, please.

**Mr Turnbull:** We've just heard that it's the same dollars being recycled.

**Hon Mr Pouliot:** Recycled? Norm?

**The Acting Chair:** Would you please identify yourself for the record.

**Mr Norm Mealing:** I'm Norm Mealing, assistant deputy minister of corporate services. I think the point we're trying to make here is that the transportation capital program has in effect been rolled into the base funding of the Ministry of Transportation capital activity.

The Jobs Ontario Capital fund—and you can correct me if I'm wrong—has a five-year life of about \$2.3 billion, of which a portion is devoted to transportation. Our share of the first year's activity is about \$118 million, but that is not to cover projects that were part of the transportation capital program, because they were rolled into the capital base of the Ministry of Transportation.

**Hon Mr Pouliot:** They're usually standalone projects that can be done in one or two years, but they have a shovel-in-the-ground focus.

**Mr Turnbull:** So the Jobs Ontario Capital fund is completely separate in its dollars to the dollars that are in your base capital budget, correct? And the base capital budget contains within it the transportation capital program dollars that were allocated by the Liberals.

**Mr Mealing:** The elements of that program.

**Mr Johnston:** If you would like some further detail on those fundings—I'm speaking more from the municipal transportation point of view—included in that transportation capital program were \$200 million for municipal road projects and \$200 million for municipal transit projects. We do have a listing of the projects that have been identified to

access those available funds, both in the transit and road areas.

**Mr Turnbull:** Okay, we have \$473 million—

**Mr Johnston:** There's \$58 million on municipal road projects, which range across the province, and about another \$38 million on municipal transit projects, which also are across municipal properties.

**Mr Turnbull:** In addition to the \$400 million, which makes up this total of \$473 million?

**Mr Johnston:** That's right.

**Mr Turnbull:** What provisions have been made for renewing that program, even if you've rechristened it, Minister?

**Hon Mr Pouliot:** Mr Mealing has mentioned that it's a vision of five years. The price tag is massive, \$2.3 billion. Provisions that have been made? We're hoping that, long before that, at least some of our policy will be reflected in a growing economy and there will be less need. But provisions are made to reflect the needs of people now. I hope I understand you, but what provisions have been made to renew? This is the commitment, \$2.3 billion.

**Mr Turnbull:** Excuse me. This is the second-last year of this program. We're talking about renewal; we're not talking about the Jobs Ontario Capital program.

**Hon Mr Pouliot:** Okay, my apologies.

**Mr Gary Posen:** Gary Posen, the deputy minister. With the provision of that as part of our capital base, it's become part of the normal base of the ministry. As we do each year, as the Treasurer is developing his budget, we review the base with treasury board and look at the items in there. So we believe that's been normalized, if I can put it that way, and is part of the capital foundation.

**Mr Turnbull:** It's the basic capital funding of the ministry, and as such would be expected to be renewed on an ongoing basis.

**Mr Posen:** We would expect so.

**Mr Turnbull:** In the remaining few moments, I'd like to ask about the IBC barriers which I mentioned before.

They're being manufactured in the US; a US company has the rights to them. It seems peculiar that in the middle of a recession you'd be going out and buying IBC barriers, when two factors prevail: (1) it has been proved that concrete barriers are just as safe as the IBC barriers, and (2) the IBC barriers are many, many more times the cost of concrete barriers. Why are we doing this in the middle of a recession? There's this new test.

**Hon Mr Pouliot:** Ms Kelch is our resident expert on IBC barriers and also a most able assistant deputy minister.

**Ms Margaret Kelch:** Thank you, Mr Minister. Margaret Kelch, the assistant deputy minister of quality and standards.

Mr Turnbull, we are in fact today, as we speak, not implementing IBC barriers anywhere in the province. We did have a contract in eastern Ontario, on Highway 401 in the Belleville area, where we were hoping to use the International Barrier Corp barrier for this construction season, as we are replacing the barrier in the median there.

The history of this particular barrier goes back to a time when it was being produced in Ontario. The two locations in Ontario where it is in place is on Highway 400 north, as well as on the QEW in the Hamilton area. Those two installations were put in place and were manufactured in Ontario.

The firm, you are quite right, does have its head office in Pennsylvania. Through the discussions we had in place with respect to the particular contract for Highway 401 east, we were not able to have the contractor and the International Barrier Corp come to an agreement which would allow the barrier to be put in place there. So we had to abandon that particular commitment, and the tall wall concrete barrier will be put in place. In fact, it's probably going in there as we speak, I think this week.

**The Acting Chair:** Mr Turnbull, your time's up. It's now 12:30. We will break for lunch and we will be back at 2 o'clock this afternoon. Thank you very much.

The committee recessed at 1230.



## AFTERNOON SITTING

The committee resumed at 1406.

**The Acting Chair:** We'll reconvene. When we left off, the way we had been going in terms of time allotment, we had gone with the opposition for 10 minutes, the third party for 10 minutes, and now it's the government's turn for 10 minutes. Mr White.

**Mr White:** Thank you very much, Mr Chair. A pleasure to see you again resuming your spot.

Minister, I have a couple of very parochial questions. As you know, in my area there are some very major concerns, not about a GO train to Peterborough or to Havelock. In fact after the election people in the Peterborough-Port Perry area were canvassed in regard to their interest in a GO bus—this was with your predecessor, Mr Philip, when he was minister—and it was discovered that the people were not at all interested in that service. But we are, sir, very interested—

**Hon Mr Pouliot:** Would you like to tell us about it, Mr White?

**Mr White:** We are very interested in the GO train service, and I can certainly attest to the quality of that service. As I mentioned to Mr Parsons, its final terminal is only 100 feet from my home in Whitby. However, it seems we'll be reaching Buffalo before we reach Bowmanville with that service, and Highway 407 as well, sir. Durham College, at the north end of Oshawa, was sited where it presently is so it would be close to the 407. It was sited there in 1967.

These are the kinds of questions. Durham region is an area that has been left to die on the vine in terms of transportation links to Metro. We have some eight or nine lanes of highway access to Metro, while Peel region has 81 and York region has 65. These are crucial issues for us, the issues around when the 407 is to be seen to be completed, and of course the GO train expansion. I'm wondering if you could respond to those issues.

**Hon Mr Pouliot:** Thank you for reminding us that in another venue, in another format, there are three different colours of sweaters. You've done so very tactfully.

The train of the day or the train of the year going to Buffalo—with respect, we can all come up with different analogies. Buffalo—for some reason I keep walking around the district in Toronto and I see some promotion. I guess our reputation as people who care knows no boundaries.

GO Transit and the 407 are both very closely integrated, connected to Durham. On the GO Transit commitment—like you said, it goes to Whitby. It's scheduled to go to Oshawa, and we have Mr Smith and Mr Parsons of GO Transit who can shed some light there.

On the 407, we'll ask Carl to give us an update on what has been done, what is being done presently and also the proposal with its timetable. Perhaps we can start with Mr Smith and Mr Parsons on GO Transit.

**Mr Lou Parsons:** Thank you very much, Minister. My name is Lou Parsons. I'm the chairman of GO Transit,

and my associate with me is Mr Tom Smith, who is the managing director of GO Transit. Would you like me, Mr Chairman, to answer that specific question or to give you some expanded GO Transit details all at once?

**The Acting Chair:** Maybe you could just start with the question.

**Mr Parsons:** The specific question Mr White raises is that the construction on our Whitby-to-Oshawa extension is presently under way and we expect to have all-day service into Oshawa by 1994 to the VIA station where we're currently operating from. The traffic there now on one train a day is encouraging, but because the people don't have the options of getting home midday, it's not nearly what it will be when we have our all-day service right out to Oshawa. We know that's going to be a great success.

The extension beyond there has been the subject of an environmental assessment at which many open houses have been held and to which there has been very good response, not to say there aren't concerns, but that's why open houses are held under the environmental assessment procedure.

We have been able to meet concerns in all other service expansion areas that we have met. Some of them have to do with noise, some of them have to do with parking lots, some of them have to do with screening. All those matters we attend to, and we have been able to successfully in the past ameliorate the concerns that have been raised by the citizens in those areas.

**Mr White:** I know the people of Oshawa are very pleased to see that first phase will be completed, as you were saying, with an operational service in 1994. But do you have any time line on the second phase?

**Mr Parsons:** With regard to the second phase, the environmental assessment is presently being done, and once it's done and presented to the minister, as you know the process, the minister will be making the decision whether there need be public hearings or whether that minister will give an exemption when that time comes. If the exemption is given, we get on with it quite quickly. Thus far in our experience—Mr Smith, correct me if I'm wrong—we have not gone through hearings. We probably have a couple of issues on the table now but we don't visualize Oshawa is one of them where we might have hearings.

**Mr White:** So we're expecting full service to a part of Oshawa within a year and a half.

**Mr Parsons:** The fall of 1994.

**Mr White:** Followed by a complete train service to the east end of Oshawa within the foreseeable future.

**Mr Parsons:** Within, I would say, the five-to-10-year time frame because an awful lot of work has to be done in that area.

**The Acting Chair:** Mr Jamison, I believe, is next.  
Interjections.

**The Acting Chair:** I thought you were done. Go ahead.

**Mr Vervoort:** Again my name is Carl Vervoort, assistant deputy minister of operations. To respond to your inquiry concerning Highway 407, I can perhaps give you a quick update on the status of that highway.

Highway 407 is recognized as one of the important links across the top of the GTA, including the region of Durham. We are currently active working on the first phase of that highway, from Highway 427 to Dufferin Street. Approximately \$200 million has been invested to date in construction, design and property acquisitions. We are also pursuing further design work on sections of Highway 407 and are in the process of doing property acquisitions for its extension to the west to Airport Road and to the east to Highway 48.

The approximate timings, subject to completion of the design and the normal processes for property acquisitions, are that we would generally be starting the section from Dufferin Street to Warden Avenue in 1992 with completion towards the end of this decade, and Warden Avenue to Highway 48 would start in approximately the mid-1990s, 1996, and be completed about seven years after its start.

The section that I believe is of particular interest to you, which would be east of Highway 48, is currently undergoing a formal route planning study. This is a major study to determine the precise location of Highway 407 in the areas that would join it from its terminus at Highway 48 to its terminus at Highways 35 and 115 southwest of Peterborough.

That planning study and the determination of the route is subject to the full requirements in the Environmental Assessment Act that distinguish it somewhat from the section of Highway 407 across the top of Metro in so far as that section of 407 is exempt due to its inclusion in the planning studies related to the parkway belt plans of the mid-1970s.

The expected completion of the studies on Highway 407 for that entire section are nearing closure. We have identified a preferred technical route for 407 throughout that distance and are currently going through a process of discussing with respondents to that preferred route about issues and concerns that they have with that preferred route.

I might also say that in addition to the east-west portion of Highway 407, we are also undertaking planning studies, which have a material impact on final selection of preferred routes and their approvals, to link Highway 407 with Highway 401. There are two such north-south corridor planning studies in progress as well.

You must appreciate that at this stage, these are estimates based on our best knowledge of what we anticipate will unfold. The expectation is that the likely beginning of construction, under the current approaches used by this ministry, would see that work start after the completion of the section out to Highway 48. As I mentioned earlier, that would be some time in the year 2003 or 2005. That would be an optimistic start date. We anticipate the completion of that entire route out to Peterborough would be a matter of several years, perhaps as long as 20 years for completion of that entire facility.

To perhaps put that in context, it's noteworthy to understand that the current section across the top of Metropolitan Toronto was in fact designated as a provincial highway in 1958 and was just begun to be constructed in 1987 or 1988.

**The Acting Chair:** We have gone over the time, if you could just wrap up shortly.

**Mr Vervoort:** Okay. I just want to make one final comment with respect to the interest the ministry has in seeing if there are ways and means by which capital investments, particularly on important corridors like Highway 407, can be enhanced. We are looking to alternative ways we can do financing. Some of them were discussed earlier this morning. Reference was made to the capital corporation and reference was also made to tolls. We are looking at a range of mechanisms that can be used to accelerate both the timing of the completion of that corridor and ways of reducing its overall cost to government.

**The Acting Chair:** Thank you very much. I might just add at this time that we had been going on a 10-minute basis because of the lunch-hour break. It could be up to the committee to decide whether you would like to expand it at any point to 20 minutes or whether you would like to continue with 10 minutes. I'm open. Mr Sorbara, any thoughts?

**Mr Sorbara:** I would prefer 20-minute segments now for the balance of the afternoon. That would give us a couple of rounds.

**The Acting Chair:** It would get you a little bit better. Okay, and it's the Liberals' turn. Mr Sorbara.

**Mr Sorbara:** John, did you have something?

**Mr Cleary:** Yes, I have a few.

**Mr White:** I'd like to thank the minister and the deputy ministers.

**Mr Cleary:** The minister will recall that in the fall of 1990, after they were elected, my colleagues from the Ottawa area raised concerns about the delay in the construction of Highway 416. The minister then said that the delays were caused by unstable soils. I would just like the minister to comment on what problems there are now.

**Hon Mr Pouliot:** Highway 416. Carl or Jim?

**Mr Sorbara:** Ottawa. That's close to Quebec.

1420

**Mr Cleary:** Yes, that's pretty close.

**Mr Sorbara:** You're familiar with that area, are you not?

**The Acting Chair:** If you could, just a quick identification for Hansard.

**Mr Vervoort:** Perhaps I can begin, introduce the topic, and turn it over to my colleague Jim Heffernan, who is the regional director of eastern region responsible for that particular part of the province to which your question refers.

You're quite right. Highway 416 is in part of the Ottawa Valley area that traverses geological formations known as leda clays. They are particularly sensitive soils which have a stability difficulty associated with water



content and vibration. Hence, their ability to withstand loading is diminished. The actual physical weight of roadbeds, and structures on them, does have an impact on the design features of the road. We have experienced difficulties which have caused some delays. In addition, there have been some issues related to the construction at the north end in Ottawa related to a structure, where some difficulties were experienced. However, both have been dealt with expeditiously. I will leave it to Mr Heffernan to comment further.

For a point of clarification, I'm not sure if your interest is primarily in the northern section of 416, the southern section of 416 or its entire length.

**Mr Cleary:** The entire length, sir.

**Mr Vervoort:** Okay, Jim.

**Mr Jim Heffernan:** Jim Heffernan, regional director, eastern region. We'll cover the section at the north first. The section that was delayed because of engineering problems was due to leda clay. It's the most sensitive clay we've ever run across in the province. As a result, we did very extreme testing with the best experts in the field from across North America. Those tests have now been completed and an acceptable design to go through that section has been established.

I think it was in July that we were out to public meetings through the area affected by these clays, because there was the potential for impact upon adjacent housing, which concerned those residents very much. We have assured them that if there is any damage caused in settlements due to our construction through there—and we're predicting perhaps one inch of settlement over time with the treatment that we've designed—the ministry will certainly take care of any damage that is caused.

We are now at the process of completing the contracts for that section as far as design goes and they should be ready within another year. At the north end, there are presently two contracts under way, Mr Cleary. There is a third one that will be ready this fall or this winter. The design for the southern section is well under way on the total section from the Rideau Canal down to the 401. Most of that design should be complete this winter or early next year. So the designs for all of that section will be ready.

As far as engineering goes, I don't see that there are any more problems we will have to deal with other than the ones that normally occur when we start construction.

**Mr Cleary:** As a supplementary, what is the completion date on that project?

**Mr Heffernan:** I'm sorry, sir, I don't have the completion date on the project. We're ramrodding the engineering and getting the contracts ready and we're carrying the construction through. I'll have to pass that one on to someone else.

**Mr Vervoort:** Perhaps I can supplement and pick up with respect to your question of the completion dates. Recognizing the difficulties Mr Heffernan has referred to, there is a commitment to complete that section of Highway 416. My information is that there is a commitment to complete that by the end of this decade, again, subject to

resolution of the difficulties encountered during the detailed design and construction processes.

**Mr Cleary:** While I have you gentlemen here, it's eastern Ontario again and it's the extension of Highway 138 at the Eamers Corners-St Andrews area. The MTO had the right of way to bypass those two villages back till the early 1970s, I guess. The problem is that this year—there's been a problem every year—the maintenance on the weeds is not very good, and our residential areas—the weed inspectors have been given orders to cut different lots along the proposed 138, and yet there's no maintenance done on 138. I do get the weed inspectors into my office complaining, so I thought that, since I was going to be in this committee today, it would be a good chance to raise that issue.

**Mr Vervoort:** Again, perhaps I can begin and ask Mr Heffernan to supplement. In general, the ministry is under financial pressure, as you perhaps might appreciate, in many of the operational delivery areas. It has been our intent to review the allocation of our resources, and the principle that we put forth in terms of our priorities for the highway maintenance activity is to begin to work on those areas that are most directly impacting the safety of the travelling public. So, of course, our first priority is on the pavement and on the immediately adjacent shoulder to ensure that there's a smooth surface available for the travelling public.

Beyond that, our priorities are to treat the ditching areas to ensure adequate drainage for the protection of the structural integrity of the roadbed, and beyond that, to deal with vegetation and litter and fence and landscaping components of our highway rights of way.

During the course of the last several years we have had to revise the frequency with which we have been doing some of the landscape treatments, and that includes mowing and pesticide controls. However, it is not something that we are ignoring or abandoning; it is simply something where we are in a process of trying to adjust our priorities. In the short term, I can appreciate that there will be some areas that may not receive the same level of attention afforded in previous years.

It is our intent to continue to pursue our priorities and our ways and means of supporting the delivery of proper levels of maintenance in all those areas, and we are pursuing ways and means so we can modify some of our rights of way so that it is less maintenance-intensive, and that does include the matter of vegetation control.

So that is, perhaps, a general response and acknowledgement with regard to your question. We do believe we will be able to make some progress in reducing and modifying the nature of the vegetation so that it is less demanding in terms of maintenance attention.

Perhaps I'll ask Mr Heffernan to respond more specifically to the highway you made reference to and what may have been occurring there.

**Mr Heffernan:** The specifics, Mr Cleary: We had a meeting earlier this year, when we recognized we could not carry on operations to the extent that we had in the past. We set some general guidelines for our district offices

to follow with respect to mowing. The first priority was for visibility and safety, and the second priority was to respond to any complaints about noxious weeds from weed inspectors. If we had any money left for aesthetic mowing, I wanted it back to do safety work somewhere else on the highways.

I think, from the complaints I've gotten this year, that we've probably toed the line fairly well on that. I realize there have been a number out of your area, but the districts are supposed to be responding to those where the weed inspectors bring them to their attention. We're certainly concentrating, we hope, on keeping visibility at intersections and so on, such that people are driving safely. That's the process we intend to continue to follow.

1430

**Mr Cleary:** Are there any future plans for that 138 bypass there?

**Mr Heffernan:** It comes up every few years, but it's not a high priority at the moment and it's not on our program at the moment.

**Mr Cleary:** As I have you from eastern Ontario there, I want to talk about a sign that was proposed on Highway 401 by the municipality of Cornwall. They wanted to put up a sign similar to what they have in Kingston and they wanted to put on it "The Greater Cornwall Area," which would have been about 100,000 residents, and the design came back from MTO with a price tag of some \$68,000 on it. That was too rich for their blood so they put it on hold, but they've asked me to pursue it.

**Mr Heffernan:** I'm not aware of that one specifically, Mr Cleary. That type of operation would probably go into our policy area, since that would be a policy matter to establish that type of sign. The price tag is rather substantial, I would say.

**Mr Cleary:** When you look at the one that they have to the west there, the greater Kingston area, and then look at a price tag of \$68,000 for what they wanted to do, I thought it was kind of ridiculous myself.

**Mr Vervoort:** Did that include vegetation, plantings, retaining walls, or was it a simple sign without any aesthetic plantings associated with it?

**Mr Cleary:** I don't know all the details on it. I just know that they were looking for similar signs.

**Mr Vervoort:** We'll undertake to take a review of the nature of the proposed sign and its cost and confirm that with you.

**Mr Cleary:** They had talked about it for a number of years and they finally got around to doing it and then they got the price tag and it's off again. They find with the layout of the municipality that a lot of the residents are slipping right through coming from Quebec and even the States and bypassing the area.

**Mr Vervoort:** At issue might also be the number of such locations, whether it was both eastbound or westbound, whether it was on any of the roads intersecting with Highway 401, so I'm not sure of the details and extent or nature of the signs that would attract that type of price tag,

but I agree with my colleague, it does appear to be a high cost for a single location, so we'll investigate.

**Hon Mr Pouliot:** Wasn't that sign in the heat of—if not of debate, people acting spontaneously, let's say? It was promised by someone during a visit in the course of a campaign; is that possible? Is that the sign, the one that's been revived now and then, the encore sign? It goes to sleep and then at the "opportune" time it gets revived, it gets flogged again?

**Mr Cleary:** Not to my knowledge, Minister.

**Hon Mr Pouliot:** Those things are sort of—well, not to deter because they are parochial indeed, but it seems to me like opportunism has crept in into the Kingston sign. It's known in some circles—yes, I know now. It's known in some circles as the Kingston sign. At the appropriate time, some figures, some political figures actually, will promise, make a commitment regarding that sign.

**Mr Sorbara:** Like train service to Peterborough.

**The Chair:** You'll have to use your memory because your crib notes aren't rather extensive here. If we could proceed, please.

**Mr Cleary:** Okay. As you know, a committee was set up in this province and of course it had visited our office, with a program in mind, adopt-a-highway or a section of a highway. It worked very hard on this, the committee, and it had gone to private enterprise, industry, commercial, to get a commitment from them to maintain a section of a highway and they seemed to run into a lot of trouble; at least they told me that MTO wasn't very cooperative. When I look at the weeds on our highway, this year in particular, I feel that this program might have worked very well. I know it would have in our area and I'd just like your comments on that.

**Mr Vervoort:** In fact, we are experimenting with that concept, adopt-a-highway, and indeed have several locations in northwestern Ontario, on Highways 17 and 11, where that particular concept is in full force. The intent of the ministry is to look at the results of that pilot towards the end of the summer, being the natural time period in which the interest groups that are active in doing that will be completing this season's worth of work. The work principally relates to litter pickup, and the interest shown by those groups has been sustained to date. It's our intent to review the results of the effectiveness of that particular program and to be making suggestions and recommendations for its potential application across the province.

In the interim, we have resisted expanding the areas in which that is being implemented until we do come to grips with some of the problems. I might point out that the principal issue that does give us some pause for thought has to do with the liability and safety issue of individuals working adjacent to a high-speed facility. As you can appreciate, as the owners of that facility we have an obligation to ensure that the ways and means whereby private citizens are actively on that right of way is done in a safe manner. That is our principal motivation for being sure that the pilots have demonstrated the viability of that particular practice.



We are cognizant of its widespread use in several states in the United States and we are cognizant of the high interest and apparently the sustained interest, because one of the thoughts was that people would quickly lose interest, but that appears not to be the case. We would await the results of our pilot and, as I mentioned, that will be concluded this summer.

**Mr Cleary:** You say that in the north it's litter pickup.

**Mr Vervoort:** Yes.

**Mr Cleary:** Do you plan on expanding that to grass maintenance too?

**Mr Vervoort:** Perhaps I can ask my counterpart, Mr Larry Lambert, who is the regional director for the north-west region, responsible for that particular area and who is helping administer and guide those particular pilots.

**Mr Larry Lambert:** In the case of the northwestern region, our program is exclusively related to litter pickup at this point. We have not done any landscaping or anything of that ilk. I must acknowledge that our limited pilot has gotten slightly out of control. We now have in excess of two dozen community groups which are active in the adopt-a-highway program. Each of those groups has a two-year contract with us for a four-kilometre section of the Trans-Canada; in all cases it's the Trans-Canada. They organize themselves under our supervision and our safety training, our provision of safety equipment, and they are picking up litter three times a year, as a minimum, along the Trans-Canada. It's a very active program in that portion, but it is restricted to litter pickup.

**Mr Cleary:** The other thing I have to say is that, travelling the 401 in particular, when I see the way the purple loosestrife is seeding itself and the amount of it along our provincial highways and the damage that's going to do to private property later on, it really concerns me. If there is any way to get private enterprise—if the government can't afford to control it, at least private enterprise would, because it's going to be the losers in the long run.

**Mr Vervoort:** Acknowledged. To further supplement the response, regarding the opportunity to have others provide some services on the highway, I believe the adopt-a-highway concept is the largest by far, but other interest groups do approach us periodically to participate with us in activities on our rights of way. As you can appreciate, there's some motivation to having access to a large volume of citizens travelling by a particular point on a regular basis. We have been approached by others to have them provide services for us in return for permission to do such things as advertising on our rights of way.

1440

I would suggest that while we are not active on all fronts, we believe there is some interest on the part of the business community to develop some partnerships. As I mentioned at the beginning, it is the pursuit of those opportunities that we feel obliged to undertake, given the pressures faced by the operating components in our maintenance activities, so we will be pursuing that. The full width and breadth of those opportunities remain to be seen. Ways and means to include mowing and pesticide

control etc have not yet specifically come to my attention, but that's not to say that those opportunities may not arise in the future.

**Hon Mr Pouliot:** As you can see, nothing is simple. That recommends certain expertise. It's a concern that is seized upon by many people, who are noticing and reporting to the ministry, not some new findings, but the importance of addressing these subjects.

**The Chair:** Mr Cleary, one brief final question, and then I'd like to move to Mr Turnbull.

**Mr Cleary:** How are we going to know the results of the northern Ontario program and whether other programs will be available in other parts of Ontario?

**Mr Vervoort:** Our normal practice would be to document the findings of the report. Those are typically public. If you express interest in receiving copies of those reports, the conclusions, we'll make a note of that and ensure that you receive copies at the appropriate time, when they become available.

**Mr Turnbull:** I would like to ask some questions about Highway 407, so I suspect that the gentlemen who were here would like to move back.

**The Chair:** While you're returning, and I apologize for my absence—

**Mr Sorbara:** We didn't miss you.

**The Chair:** I know you didn't miss me, Mr Sorbara. Actually, I didn't miss you that much either. However, I'm glad to be back. What I was going to suggest is that there are certain people who are here today and may not be here tomorrow, and should we wish to—

**Mr Sorbara:** Is there a cabinet shuffle? Is that what you're saying?

**The Chair:** No. The minister is most anxious to complete his estimates. But Mr Parsons is here from GO Transit and should members not wish to ask any questions of GO Transit, it would be helpful to Mr Parsons's busy schedule and to the Chair if you could advise us. Second, if you did want questions, we could perhaps arrange for them to be covered today, without complicating his very busy schedule. He is here today and it would be helpful if members of the committee wanted to ask him any questions—

**Mr Turnbull:** The minister isn't here tomorrow?

**The Chair:** No. Mr Parsons, the chair of GO Transit, has made himself available to the committee members. I just wanted to put that on the record, and you can advise the Chair accordingly. Please, Mr Turnbull, proceed.

**Mr Turnbull:** I want to ask you about the design and other criteria considerations for the 407, specifically for the section which I guess you would define as being between Highway 48 and Highway 35-115, specifically in the area of Newcastle. As you will know, there's been quite a strong reaction to what you refer to as "the preferred route." Perhaps you could outline for me your criteria in arriving at the preferred route.

**Mr Vervoort:** I will begin by describing the general process, and Mr Hanton, the regional director from central

region, will provide the specifics with respect to that particular location.

In conducting a route planning study for a transportation facility, in this case a highway, our initial process involves our documenting all the existing conditions from the point of view of information, such as land use, location of employment, location of residences, the zoning of the land, the extent and nature of existing infrastructure, be it highway, public transportation, rail; in broadly stated terms, the demographics, both present and future, for that particular part of the geography. We rely significantly on official plans of the particular area we are looking at. We work with our own sister ministries to develop confidence in future projections for population and employment. Typically, these projections are in the order of magnitude of 25 and sometimes 50 years into the future to give us a sense of what might be expected over those time frames. We collect demographic type of information.

In addition, we collect information about the natural environment, in terms of planned use, topology, rivers and streams, as much information as is available concerning archaeological locations, sites of archaeological significance, historical sites, institutions, schools and the like. We compile a fairly comprehensive understanding of what the natural environment is like.

In addition, we solicit from members of the general public their observations and comments concerning any special considerations that are relevant and may affect the choosing of a route for a highway. The process calls for the identification of all the various parameters and the various categories. We document them to the extent we can. We go to the public and prepare exhibits which demonstrate the placing, the location of all of those natural and man-made features. As I said, we receive comments and opinions about how both the transportation professionals and the communities view the future preferred transportation networks being developed.

We generate a number of alternatives that would meet the transportation needs and minimize the adverse impact on all the factors I've described. We go through a process of discussing that in a public forum to rate and rank those. The net result of those deliberations and discussions is a conclusion by the project team—and I recognize it as that; a multidiscipline team—of what it thinks, all things considered, constitutes the route which provides the optimum transportation benefit and minimizes the adverse impact. That becomes known as the technically preferred route.

That's the process. Mr Hanton can perhaps amplify, if you wish, details with respect to the Newcastle or—

**Mr Turnbull:** I suppose you are aware of the particular complaints that exist. I suspect that no matter what route you choose there would be a group of people who would complain; that's the nature of your job. But the concern which has been expressed is that the route you have chosen as the technically preferred route will have the most disruptive effect on the communities there and will in fact bisect them. I wonder if you could speak specifically to that.

1450

**Mr Ray Hanton:** My name is Ray Hanton. I'm the regional director for central region.

The preferred technical route that Mr Vervoort was referring to has been reviewed with the various municipalities, public, special agencies; we've been working on it now for over two years. We have almost complete approval for that route with the exception of one municipality, and that's the town of Newcastle. We are discussing some slight modifications with the city of Oshawa, but it has agreed in principle to the route. So we have one municipality that is opposed not just to the route; the town is taking an official position that it's opposed to Highway 407, so it's not a matter of which route is selected. They have not taken any position with regard to an alternate route.

What we are planning to do is consolidate all the information we have collected from all those agencies and municipalities, and as Mr Vervoort indicated earlier, we are required, on this section of Highway 407, to proceed with a full environmental assessment. The ministry will have to decide whether it wishes to proceed or not on the basis of the town of Newcastle's position, and then if we decide to proceed it will go through full environmental assessment.

**Mr Turnbull:** Okay. Can we turn to the financing of the 407, which is much more of a political question, Minister? I know you have floated out the possibility of a toll road. I wonder if you could just discuss how far along with those considerations you have come.

**Hon Mr Pouliot:** I'd like to call on Mr Johnston or Carl to give us this, but there have been some extensive comparison studies with other jurisdictions on the possibility of a toll road—the way it works, the percentage of the take—vis-à-vis a highway, the ability to accelerate a project, the way it does affect your tendering, ie, the system itself as opposed to different components of the highway. You're talking about engineering design and the construction itself, but to shed more expertise on this subject—

**Mr Vervoort:** Perhaps I'll begin and comment specifically on Highway 407 and tolls. My colleague, Mr Johnston, can comment on the matter of financing and the capital corporation and related matters.

What specifically we have done with respect to Highway 407 is that we have initiated—and it has just commenced as of about four weeks ago—a study to review the specific application of the potential and the mechanisms that would be used to implement tolls on Highway 407.

As the minister made reference to, we have examined the nature of the operation of toll facilities in other jurisdictions, and it has been our conclusion to date that it is technically possible to have such a facility operational in the Highway 407 corridor. The extent to which there would be operational changes required in its design, by which I mean such factors as spacing of interchanges, the nature of the toll-collecting facility—incidentally, in that regard we have come to the conclusion that toll collection will involve a high degree of automation. We do not see the traditional concept of stopping and throwing a few



quarters into a basket and carrying on. We see an electronic collection—

**Mr Turnbull:** It's an electronic ID.

**Mr Vervoort:** —a full-operating-speed type of tolling mechanism as being the only viable concept with respect to Highway 407. Our investigations have given us the confidence that the technology exists, by and large, to be able to do that.

**Mr Turnbull:** And is in operation in other jurisdictions?

**Mr Vervoort:** Yes. The technologies are proven and are in place on toll facilities.

**Mr Turnbull:** Does one obtain some sort of transponder that you fit to your car if you wish to use these roads?

**Mr Vervoort:** There are two basic concepts. The first concept is the one you describe, where I attach to my vehicle some type of transponder that emits a signal which is uniquely associated with the vehicle, which is identifiable and allows the receiver to identify that Mr Turnbull has passed this particular location on this day and at this time. That information would be accumulated. At the end of a prescribed period of time you could be sent a bill soliciting the payment of a toll.

As you can appreciate, there are some concerns related to that particular concept in so far as it would be known that Mr Turnbull was in a certain spot on a certain date. So there are matters of privacy related to that type of operation.

The alternate mechanism is one analogous to other systems which are in place, in different ways. I think of it in terms of a card; again, some type of device which would be affixed to the vehicle for which one would be able to buy, for argument's sake, \$100 worth of toll value, and every time one passed a particular location, it would automatically click down, take from that value the appropriate toll. You could go to different places to buy more credit on that particular card.

Those are the two key concepts.

**Mr Turnbull:** I don't want to dwell on the technical aspect too long, because I think we understand it can be done. Does this seem like the most logical way of financing this highway, Minister?

**Hon Mr Pouliot:** Well, it's another way. It's never been anticipated that it would cover the major portion of the cost. It has some public support. That public support hinges on, preferably, alternatives to the superstructure, and it's exactly that which is talked about. But it's viewed as a possibility to accelerate what is much-needed work, to make it happen faster. Under the present system, it is not impossible—we established this morning that the province is spending the same money—but it would certainly be a much-needed boost, given the generator of transportation, to having more work done. So we're trying to be innovative. We're leaving no options closed, examining each and every option.

**Mr Turnbull:** How much could we speed up the development of this road if we went to this system?

**Mr Vervoort:** We estimate that, of course, the benefits in terms of acceleration accrue to those parts of the high-

way which are furthest away from us in time; again, with the caveat that we have yet to determine a lot of detail about the true operational nature of the facility itself. I refer specifically to things like entrance and exit ramps. What do you do with individuals coming from out of the province, tourists and the like, who may not have that particular type of technology? So there are a lot of specific issues that remain to be addressed, as well as some engineering details. Does this add, for example, to the width of road necessary and therefore impact required properties which have already been acquired, by and large, in many locations? So there will be some technical issues that will result.

With those caveats, on the potential to accelerate the completion out to Highway 48, we believe an aggressive schedule would knock 10 years off that, and furthermore—again with the caveat that if other financial resources do not present a constraint—that completion to Highways 35 and 115 could be advanced by as much as 20 to 35 years.

**Mr Turnbull:** So what total time are we talking about? If we went this route, what total time would it be before we could have the whole of the road out to Highways 35 and 115?

**Mr Vervoort:** We believe it would be around the year 2010, as opposed to the year 2050.

**Mr Turnbull:** The year 2010, as opposed to what?

**Mr Vervoort:** The year 2050.

**Mrs Margaret Marland (Mississauga South):** Five zero; an advance of 40.

**Mr Vervoort:** That's correct. I appreciate that these are very broad estimates based on some assumptions which remain to be validated.

1500

**Mr Turnbull:** Yes. Has there been some consideration of going with the US model of saying to a contractor, "We will let you build the whole of the road and operate it for 35 years, and then you will turn it over to the province"?

**Mr Johnston:** All of the options have to be explored, realizing what you could receive from different sources of revenue, like from tolls towards the total cost, what business case could be put forth, what the annualized costs to government and so on are over the life cycle of that project. But build-to-operate transfer, which you're talking about, or build transfer or different arrangements all have to be examined on a project-specific basis.

**Mr Turnbull:** I know my colleague has a supplementary on this.

**Mrs Marland:** Having just returned from travelling in France and Spain to the Olympics, we were very impressed with the toll highway system there because we hadn't previously experienced it and were very interested to know that it's all privately owned and operated. I have to admit in some instances it's very expensive, and I wasn't terribly thrilled about the permitted speeds.

The New York State Thruway isn't privately owned now, is it? It was at one time? Isn't it the only toll highway system in the world that really makes a profit? I remember

a year ago hearing somebody being interviewed, and thinking that government can't afford, at today's prices of construction, to keep up with the demand for either the maintenance or new highway systems, not only in our province but anywhere else. I thought, "Why are we not looking positively at the alternative of privately owned and operated and constructed highways?" Minister, is this something that you have talked about policywise beyond your own ministry? Have you discussed it with the cabinet as a possibility that would help resolve your highway problems?

**Hon Mr Pouliot:** Certainly, we're collectively asked to take the lead. We found in short order that the people will subscribe to a user-pay policy if it's related to a specific subject. We have the advantage, and New York was in a similar situation at one time, where it could finance the project when interest rates were quite low. The thing is it became in perpetuity, and it is very difficult to reconcile whether it's still specific; that highway must be paid for so many times, some will say. We haven't looked at that, but we have to say, "Look, there's an alternative here if you don't like it or if you cannot afford it."

"Equity" is a big word here. You have to make sure that it's still accessible to motorists, and yet having done this, when you have this in mind, then you get into a bind. It's not anticipated that it would raise enough capital, but it would give you the opportunity to tender a whole system as opposed to going at it piecemeal. The larger the project is, the better off you usually are. You will enact some savings because of economy of scale and ability to do the whole project at once. We feel it would be cheaper, give more value for money and it would be done quicker because you would also have that flexibility. But there has to be a profit for people. The bottom line is that people have to make a buck at it. I'm sure that Mr Turnbull, the critic of your party, does not see profit as a dirty word. It's a normal reaction.

**Mr Turnbull:** At least I've been able to communicate one thing to you, Minister.

**Hon Mr Pouliot:** We're looking at that; we're also looking at private financing. But you're right, there is a thrust of saying: "Look, what can we do to recognize the need during these difficult times? And don't let any factors deter you. It could be the GST, it could be the free trade agreement. Be progressive, go to the marketplace and the element of competition will help you." We're looking at all venues and hopefully we'll be able to come up with something in relatively short order.

**Mrs Marland:** But isn't it in—

**The Chair:** Mrs Marland, if I might, while the two gentlemen are still in front of us, Mr Turnbull had one quick question. He has about a minute left.

**Mr Turnbull:** If you don't mind, I would prefer to add that time to our next round.

**Mrs Marland:** Could I just finish what I was asking the minister?

**The Chair:** Yes.

**Mrs Marland:** Looking at a country like France, which is not a wealthy country, isn't it interesting that it has an auto route system that is privately owned and operated and has been developed and growing in stages, where the public has a choice of paying those tolls to a private-sector corporation or going on the other roads? Do you think the people in Ontario would be interested or would accept that kind of alternative?

**Hon Mr Pouliot:** I share the views totally that the time has arrived. The former system does not address the needs as fully as it should. There's nothing wrong with having the private sector get involved at the infrastructure level. We've reached a time when perhaps we can no longer afford that. We have to look at a new round of partnership and be innovative. It's done elsewhere and it works.

We have one tenth the population, taxpayers, of our brothers and sisters to the south to address infrastructures needed on a piece of land which is the size of a continent, vast and magnificent as it is, a population that is so sparsely populated, and we have only one economy, that of export, which makes us vulnerable because we don't have a massive internal economy. All those come into play. They are factors indeed.

Being an advocate of the free enterprise system, if the collective people can come up with a better mousetrap, I think we have an obligation to look at it. It's not detracting from the social conscience for which this administration is renowned, but by no means claims to have a monopoly on, but it's doing business the way business must be conducted. It hasn't been tried before, but rather than mortgaging the future of generations to come, I think we have a responsibility to look at that and make it a win-win situation.

**Mr Sorbara:** A free-enterprise economy.

**The Chair:** It's scary, isn't it, Mr Sorbara?

**Mr Sorbara:** Are we still in estimates for Transportation? Did I miss something along the way?

**The Chair:** I think it's a pre-election speech, but we're working on it. It sounds pretty good.

**Mr Sorbara:** It won't come any too soon, let me tell you.

**Mrs Irene Mathysen (Middlesex):** Thank you, Mr Minister. I'm very happy to have the chance to ask a couple of questions. My first is about the Highway 401 corridor between London and Woodstock. As you know, the Ministry of Transportation has undertaken to build a median barrier because we've had, over the last few years, too many fatal accidents in that area.

I've had some correspondence from Mr Paul Gunning of Roadmark Engineering in London. Mr Gunning has indicated that Roadmark markets what he calls the snowplowable raised pavement marker—I think some people call them cats' eyes—and has suggested that the installation of these markers along the Highway 401 corridor from London to Woodstock would be cost-effective and would also enhance the safety in this section of road. He stated that this product is approved and included in the MTO designated sources manual and it would provide a



positive guidance system for drivers in adverse weather conditions like fog, snow and rain.

Has the ministry considered whether it might use this guidance system, these markers, along this stretch of highway? Is that a possibility?

**Hon Mr Pouliot:** I'm often asked the question. It's done in other jurisdictions and it seems to work. Would the climatic conditions, although not as severe in your special part of Ontario as in—

**Mr Sorbara:** Manitowadge.

**Hon Mr Pouliot:** Northern parts such as, as Mr Sorbara so rightly pointed out, the cave of the great spirit, the Ojibway legend, Manitowadge. Is it possible that we have plans? What are we doing—such a commonsense question—for the safety of motorists in the province?

**Mr Vervoort:** Minister, you did touch on the specific reason why thus far it has not been adopted as a standard traffic-management feature for provincial highways in Ontario. We do have different devices that we use to assist the motorist in determining the delineation of the edges of the lane in which the vehicle is travelling, as well as delineation markers that indicate where the geometric curvatures of the road are going. For example, in the area you referred to, we would be placing and do place such delineators on top of the concrete barrier. You will notice that there is periodically a square—I believe it's yellow reflective material—on top of those barriers.

The pavement markings themselves are incorporated glass beads for the specific purpose of providing reflectivity from headlights so the driver can identify more visibly at night-time those pavement markings.

1510

We have found that those have been effective. We have investigated, in the past, the particular types of markers you're referring to. Typically, they are markers which are embedded in the road, that is, they are sunken so as not to be taken off by snowplows during plowing operations.

The difficulty in our Canadian climate is that the freeze and thaw, the penetration of those depressions by water, inevitably leads to deterioration of the bonding agents used to help adhere the reflectors in the roadbed. Beyond that, there is deterioration that does occur with respect to the pavement itself. So the conclusion of the ministry thus far is that they're not particularly appropriate, given our climatic conditions.

We are confident that our existing means of delineating the edges of pavements and the general character of the highway meet the safety requirements of the travelling public. We are, however, always attentive to such proposals and are constantly reviewing them to see if improvements in their design or implementation provide for an application. It is possible that there may be specific locations at which such devices would be beneficial and they would be used with that in mind, but as a general practice, it is not the current policy of the ministry to adopt those throughout our highway systems.

**Mrs Mathysen:** My second question has to do with safety too. This came from a constituent of mine some months ago. His concern was safety and the fact that some

of us are driving vintage automobiles which may not have been inspected or maintained as they should have been, and managed somehow to elude the general safety inspections that I know your ministry conducts from time to time, and quite effectively.

Specifically, this constituent wanted to know if somehow or other there could be a mandatory inspection of vehicles, once they've reached a certain age, connected to insurance; if somehow it was a requirement by insurers or perhaps even in the renewal of a licence that there be a proven inspection so we know that safe vehicles are indeed on the roads. Perhaps insurance companies, because they would be the beneficiaries, might wish to sponsor that kind of inspection. I wondered if that had been considered or if it was a possibility in terms of the kind of safety you would like to see on Ontario's highways.

**Hon Mr Pouliot:** Irene, what a valid question. I don't know. You've got me. Alec, maybe you can help me with this. The next time I'll certainly be better informed. What about relics or older, vintage cars?

**Mr Alex Kelly:** I'm Alec Kelly, the assistant deputy minister of safety and regulations for the ministry.

When we look at information regarding accidents with automobiles on the highway system, about 85% of the accidents, as best as we can tell, are caused by driver error and vehicle defects. We're talking about 3% to 5% of the accidents caused by poor brakes or something of that nature.

Our present policy is that when a person transfers ownership of an automobile from himself to someone else, he must have a safety certificate, which means he has to have it taken to a garage and the brakes checked and the front end and so on, and have any repairs necessary to transfer the vehicle. Our policy at present is that for a transfer of vehicle, a private automobile, there has to be a safety certificate.

We have scanned the possibilities of doing it yearly. Because of the nature of the statistics, we think it's a very large cost to the public, the need for quite an infrastructure of mechanics and garages to deal with that matter. Rather than the private automobile, we're concentrating on the larger vehicles on the highway system: trucks. We have a yearly program of mandatory vehicle inspection of trucks and trailers on the highway system. We believe, from the priority point of view, that this is the best place for us to address our efforts.

**Mrs Mathysen:** Despite the fact that we all find that the aging process affects the brakes, I understand the cost involved.

**Mr Jamison:** It's a pleasure to have you here today, Mr Minister. My question deals with the subject of underserved areas in the province, with relation really to the problem of urban congestion and the upkeep of roads in the major urban centres. I understand that the cost of that is horrendous, and it's really the continuing congestion of business and people in specific areas of the province. There are, as I say, some underserved areas of the province, even in southern Ontario. I'd like to draw your attention, for example, to the area I come from, Haldimand-Norfolk, and Highway 6 south to Port Dover.

I'm aware that since 1978 there has been a plan or proposal in place, and I've been in contact with your office a number of times to inquire about the progress of the two-phased extension from the 403 to the Nanticoke industrial core, which houses Stelco, Esso and Ontario Hydro. By bringing this question forward, I'm saying that while these areas may be somewhat underserved, they are underutilized at the same time. With regard to the ability to attract new businesses to those areas with land prices that are much less than the major urban areas, a plan of that sort, but in particular this Highway 6 extension from the 403, would be helpful. How is that project coming along?

**Hon Mr Pouliot:** Thank you. Mr Jamison not only has been diligent but has brought a focused determination to Highway 6. I don't recall too many days that go by where you don't have the request for an update, and I learned some time back that you don't stand between a person and his mission. So for yet another update on the subject that has been raised by Mr Jamison, I would like to ask someone from our ministry to update where we're at. Did we progress since the question was last raised, I believe last week?

1520

**Mr Hanton:** Ray Hanton, central region. The route location studies for Highway 6 from Highway 403 down towards the Caledonia bypass were completed and the project was submitted to the Ministry of the Environment some time ago. The Ministry of the Environment completed its review of the documents that were submitted. They were happy with the manner in which those documents were presented; however, as part of the process they were required to undertake a public consultation. During that public consultation there were six formal—I won't call them complaints but they were registered concerns against the ministry's proposal.

We have been working with the Ministry of the Environment as recently as the last 12 months to resolve those concerns. We have resolved most of them, we believe. However, there was one significant one which we have not been able to resolve completely. At this time we are waiting for a direction from the Ministry of the Environment on whether we will be able to proceed or whether we may be involved with a full public hearing.

Once we receive the approval of the Ministry of the Environment, it could include some direction to do things a little differently than we have proposed, but we are prepared to program the construction of Highway 6 as soon as we have that direction from the Ministry of the Environment. At present, we're standing by, waiting for that decision.

**Mr Jamison:** I have a second question, now that I understand where that project is at this point. My second question really deals again with the maintenance. I know it's a tremendous ongoing cost to surface and resurface and repair the road system and the road infrastructure in the province.

A few years back, just to give you some background, with the advent of the Hagersville tire fire, there was some talk at that point about the use of rubber in asphalt. I understand there were some studies initiated on the basis

that the use of rubber particles in the asphalt would increase the durability of the present road system and had some safety factor involved in stopping distances compared to regular asphalt.

I'm wondering if there has been any conclusion at this point. I know that initially the rubberized asphalt was supposed to be a little more expensive to apply, but the durability factor and the safety factor, when considered, would have made some significant cost savings in the long run, both to the general public and to the maintenance factor itself. I wonder how far that study has gone along, because of course we're talking about the environmental use of used tires at the same time.

**Hon Mr Pouliot:** The fascinating world of rubber and asphalt can best be dealt with with the expertise of Ms Kelch.

**Ms Kelch:** Yes, Mr Jamison, we're quite interested in the use of recycled tires in asphalt. We do have a major test location in southwestern Ontario, near Thamesville, where we did lay rubberized asphalt last year. We had some difficulties with the original mix, because the asphalt actually threw out the rubber pieces because the rubber was too large. We then tried what they call a rubber crumb, which was of a lower density, and it seems to be working better.

The one thing we don't know yet, though, is whether it can be recycled. That's one of the major tests being done this summer, because of course that's a major piece of our program in the province, to have asphalts and pavements that are recyclable. We are waiting for the results of that particular test.

We're also waiting for the environmental review. We have had ministry as well as consultant staff working on that project over the last four or five months, as well as when the asphalt was originally laid; in terms of testing the air quality as the asphalt was prepared to be placed and the air quality when the recycling takes place.

We are not yet in a position to answer all of your questions in terms of how well it works over time. Currently we like to have asphalt pavements in this province last 18 to 20 years; that's our benchmark in terms of the guideline we're using. We obviously don't want to wait 18 to 20 years to find out whether rubberized asphalt is a good idea, but we do want to have another year or so of driving experience with that pavement with the varying types of volumes that take place in that part of the province to determine whether it's a good idea to use elsewhere.

In addition to that, in terms of waste tire, I would like to add that we have a variety of other alternatives we are looking at in terms of using the waste tires, not the least of which is ensuring that what we're doing is having high value added types of products. One of them, and it has turned out to be one we have a pretty high level of optimism about, is a rubberized collar that goes around sewer covers. We have tested those in various municipalities over the winter and they look good. We're quite optimistic, and the current estimate in terms of the amount of rubber that would be needed is all of the waste tires we could find in the province. If we were going to utilize this kind of con-



struct against all the sewer covers in the province—and obviously that's a municipal responsibility as much as a provincial one—it has some real potential in terms of using up the rubber.

We're also trying rubber in noise attenuation, in the noise barriers along the highway system, and it's showing some potential as well. We are also looking at the potential of using waste tire in a landfill, the fill on which the highway bed would actually be placed. There are a variety of jurisdictions in the United States, three states in particular, that have uneven experience with that, so we're monitoring it; we also hope to find a couple of good test locations in the province over the next year or so where we can try it.

**Mr Jamison:** I have a quick question. Is there an asphalt that can be applied that would lessen the noise? Mrs Marland just indicated to me that there may be some sort of asphalt for that purpose.

**Ms Kelch:** Yes, there definitely is. In fact, Mrs Marland might have that asphalt in part of her riding; I'm not sure.

**Mrs Marland:** I'm waiting for it.

**Ms Kelch:** It's certainly in place on parts of the 401, but it tends to be an asphalt where the water drains through it more quickly. It has some advantages and some disadvantages, but yes, there is definitely a gradation of the types of asphalt that can be used for higher noise or less noise. As I say, we do have it in place on the 401. You might notice it demonstrably as you cross the 401 that certain segments of the road are definitely higher tire noise than others.

1530

**Mr Sorbara:** I'd like the minister to turn now to page 60 of his estimates book. That is the section of the estimates book described as "Program Delivery Program." I don't know why the word "program" is there twice, but it's not my estimates book. I want to ask him to move down to the third-last line of the chart appearing on that program, the line entitled "Total Capital," and I want him to look at the estimates listed on the right-hand side of the page for 1991-92. Does he see there that the estimates for last year were \$2,023,000,000? It's a simple yes or no answer.

I take your silence to mean that you do see that last year's estimates were \$2,023,000,000. Now, moving to the extreme left-hand side of the page, the estimates for this current fiscal year are, as I read them, \$1,714,000,000 and some-odd thousands. Is that correct?

**Hon Mr Pouliot:** "Do you see the same figures as I see on page 60 of the estimates, as so ably illustrated?" Yes, of course we do. Now, what's the question?

**Mr Sorbara:** This is a reduction of \$308 million. Is that correct?

**Hon Mr Pouliot:** It says it's correct. It says \$308 million.

**Mr Sorbara:** So this year's capital expenditures in the program delivery program are indeed, as I said earlier, \$308 million less than last year's estimates. Is that correct?

**Hon Mr Pouliot:** Mr Sorbara, what we have indicated in our presentation this morning is that the Ministry of

Transportation, in terms of capital outlay, will be spending pretty well the same dollars as it did the previous year. This was the focus that we wished to convey to members of the committee and the public at large, that yes, in spite of enormous difficulties, a recession which is consequential indeed, massive by any standard, we will be spending in capital the same amount of money as we did last year.

**Mr Sorbara:** This is the estimates committee and we're just examining your estimates. This morning you accused me of twisting figures when I quoted these figures and tried to establish that your estimates provide for spending that is \$308 million less than last year's estimates. It's a pretty simple fact. I just want to make sure I'm reading the same book you're reading, because you said earlier this morning that we were going to be spending about the same amount, but your estimates book doesn't provide that. Are we working from the same figures?

**Hon Mr Pouliot:** We certainly are. Since we're not children, I did not accuse you of twisting. How could I? I know about your sensibilities and I would not wish to offend them in the least.

But more important indeed is the taxpayers' money. We are spending the same amount of money as last year. I know your time is very valuable, that you don't wish to spend it on reeling off old Hansards or make a world of make-believe tales of Houdini, sometimes you see it, sometimes you don't. This is a public document. It's there for every taxpayer.

**Mr Sorbara:** That's what I'm going to invite you to do.

**The Chair:** Mr Sorbara, if I might interject at this point—

**Mr Sorbara:** I think he's just padding the time now with this.

**Hon Mr Pouliot:** How can you? How can you?

**The Chair:** The Chair at this point would like to suggest that the process of examining the estimates is a process whereby all members of the committee wish to set before the minister and his staff questions about the numbers that are or are not in the book.

There was a fair question, to which you responded, about those items in the last estimates which were removed from your budget and/or those items that might be placed within the Jobs Ontario program, and the committee can reasonably expect to ask for the list of those projects and the times in which they will be completed. I think if we were to pursue this angle, there'd be less acrimony.

What you're trying to suggest, Minister, is that you will be providing additional capital. What Mr Sorbara is simply asking is, could you share with the committee where in your budget, where in the document it is, and if it is not, could you share with the committee where it is and share with us those figures? We have to approve your estimates within a certain amount of time, and it would be helpful if your staff could provide that for us.

**Hon Mr Pouliot:** Thank you. In the spirit of cooperation, and for the sake of time saving, will you take the book of estimates, page 60, in your left hand, Mr Sorbara.

Under "(e)" it says "Interim Actuals" and there is one figure, \$1,847,000,000.

**Mr Sorbara:** I see that.

**Hon Mr Pouliot:** Do you see that figure, sir? This is the figure that—

**Mr Sorbara:** That's what you actually spent last year, which is about \$150 million less than you promised to spend in the estimates. Is that right?

**Hon Mr Pouliot:** You went from \$308 million to what is the latest, and then you went from actual to fiction to a promise, then you'll go to a commitment. We're spending the same money as last year.

**Mr Sorbara:** How would you like to establish for me how it is that you're spending the same money? I keep hearing you saying, "We're spending the same money." I would argue that you should be spending a hell of a lot more money because the infrastructure in the province is deteriorating, our road system is deteriorating.

We are 10 years behind in the construction of Highway 407; we have a huge bill to pay in subway construction; we need to expand the GO system, and you seem to make a virtue of spending the same amount of money. I can't even figure out where it is you're spending the same amount of money.

If you take the interim actuals, column E, for last year, that is the amount of money that you will have ended up spending at the end of fiscal year 1991-92, \$1.85 billion, and even if you take that figure, you've budgeted for this fiscal year about \$35 million less than you actually spent last year. So now we're down to \$135 million less in spending. Where do you make up that money when you say, "We're spending about the same as last year"?

**Hon Mr Pouliot:** Look at the estimates of 1992-93. The money was not fully outlaid last year.

**Mr Sorbara:** I'm looking at that and that says \$1.7 billion.

**Hon Mr Pouliot:** We're spending the money. If you don't wish to believe that we are spending, there's not very much I can do, sir. There isn't much.

**Mr Sorbara:** With the greatest of respect—

**Hon Mr Pouliot:** One second, please. Now you've said, "Even if you were to spend the money, it's still not enough." You see you evaluate from the premise that the glass is always half empty and never half full. You do your job to a T. I can't help you there. I can only go to dispensing information so far; if you don't want to believe, there's not much I can do.

**The Chair:** Minister, at this point, the committee's trying to determine the shape of the glass and not focus on the water that's being passed between you and Mr Sorbara at the moment.

**Hon Mr Pouliot:** I will ask Mr Mealing to give a line-by-line description of the \$2.8-billion budget at Transportation.

**The Chair:** Thank you. That is what I believe Mr Sorbara tried to focus in on in his request. If it is, would

you show us in the document where the \$308 million is deficient?

**Mr Sorbara:** This is my opportunity to ask the questions and try and get the answers to the questions I'm asking.

**The Chair:** The minister has asked his assistant deputy to bring that to our attention and that would be helpful, please.

**Mr Mealing:** The amount of money that has been budgeted this year for capital expenditure in the Ministry of Transportation encompasses a number of areas. The discrepancy you're referring to, Mr Sorbara, between the \$1.7 million and the \$1.84 million in the minister's estimates speech takes into account the money that has been given the ministry in terms of the Jobs Ontario Capital fund.

**Mr Sorbara:** And how much is that, sir?

**Mr Mealing:** There's roughly \$120 million in the Jobs Ontario Capital fund that we have for Ministry of Transportation provincial highway projects in southern Ontario. There's an additional \$21 million and change that's devoted towards northern Ontario.

**The Chair:** What was that figure again for northern Ontario?

**Mr Mealing:** I think it's \$21.8 million for northern Ontario projects.

**Mr Sorbara:** In addition then to the \$1.7 billion that is budgeted in these estimates, there is \$120 million in Jobs Ontario funding that has now been allocated to the Ministry of Transportation?

**Mr Mealing:** Yes, it has.

**Mr Sorbara:** Could we have a full list of the projects that will be funded by your ministry in respect of that \$120 million?

**Hon Mr Pouliot:** We could be spending more than last year, for all we know, but slightly—

**Mr Sorbara:** You cannot spend more than is provided for in your estimates without supplementary estimates.

**The Chair:** I'd like to get through the original estimates, Mr Sorbara.

**Mr Sorbara:** So would I.

**The Chair:** Could the Chair get an answer, please? Is the Jobs Ontario data in the estimates book? If not, can you bring forward Mr Sorbara's request?

**Mr Mealing:** The answer is that it's not in the estimates book, but the answer is, yes, we can document all of the projects that are funded under the Jobs Ontario Capital fund.

1540

**Mr Sorbara:** Can I go back to last year's estimates and ask you whether last year there were supplementary allocations of the Jobs Ontario type that would create a higher estimates figure?

**Mr Mealing:** In last year's estimates, the \$2.023 billion, \$80.4 million for what was called anti-recession projects was incorporated in that figure.



**Mr Sorbara:** The interim actuals for last year were about 1%—let's just refer to it in the hundreds of millions—\$200 million less than the actual budget figure. Is that right?

**Mr Mealing:** About \$150 million less than the actual interim figure, \$170, I guess.

**Mr Sorbara:** Given your understanding of ministry spending and the historic interims and estimates of the Ministry of Transportation over the years, is this shortfall in spending something that is routinely what results in the Ministry of Transportation's spending and estimates?

**Mr Mealing:** I think that last year was probably a more unique year than previous years, inasmuch as we had a significant amount of money budgeted for GO Transit tied to a couple of expansion projects, the Oshawa project, the Burlington project and into Hamilton, that we were not able to spend because of delays in getting environmental assessment approvals and delays in acquiring property.

In addition, in terms of the other municipal programs, the roads programs, there was some difficulty on the part of the municipalities in picking up their share. As you know, they bear a share of—

**Mr Sorbara:** But that hasn't changed much this year?

**Mr Mealing:** No, that has not changed very much this year at all. Then there were some delays encountered in our own construction projects as well.

**Mr Sorbara:** But those occur every year, do they not? Every year, for one reason or another, whether through weather or construction strikes or the lack of approvals, you have projects that are approved and ready to go but the contracts are not let.

**Mr Mealing:** Some years we move more quickly than others, given better weather.

**Mr Sorbara:** What's your anticipation for this current fiscal year?

**Mr Mealing:** Our anticipation, and I'll turn over to Carl Vervoort, who is the ADM of operations and who actually is responsible for the implementation of the highways program—our sense this year is that we will spend what we have allocated for ourselves, GO Transit will spend what it's allocated, and we're prepared to make whatever is available to the municipalities available to them. But we have some early indication that the ability at the municipal level to take up its share of the spending is affected by the recession.

**Mr Sorbara:** Now, if I recall the Treasurer's budget, there is about a half-billion dollar restraint in the Treasurer's budget, which really means \$500 million in savings that he hasn't found yet. What portion of that do you think the Ministry of Transportation is going to be asked to absorb, in particular in respect of capital?

**Mr Mealing:** I have no idea whatsoever. Normally, capital accounts are not subject to that level of restraint. Normally, they come out of our operating accounts.

**Mr Sorbara:** What was in the restraint from last year?

**Mr Mealing:** Last year we made available to the Treasurer in the order of about \$100 million in restraint.

**Mr Sorbara:** Would you be surprised if the Treasurer required you to make \$100 million available again this year?

**Mr Mealing:** I can't say at this point in time.

**Mr Sorbara:** Okay. So all in, even with the Jobs Ontario Capital, you will be spending, as the minister says, about the same amount as you actually spent last year, save and except that you may be called upon by the Treasurer to restrain spending, and for reasons that are beyond your control you may not let some contracts?

**Mr Mealing:** As I said, Mr Vervoort is prepared to talk to our own capital construction program. I think the area that we are the most unsure about right now is that municipal area where 25% of the spending is at the municipal level.

**Mr Sorbara:** I want to ask the minister about 25-metre tractor-trailers. He made a commitment to the trucking association to approve them so long as he didn't get any political flak from the other political parties. The other political parties have agreed that it is a good idea. Why haven't you done anything about it?

**Hon Mr Pouliot:** To say that we have not done anything about it might be a little harsh. Vehicle configuration has been a controversy.

**Mr Sorbara:** It was about two years back.

**Hon Mr Pouliot:** I recall so vividly, as if it were yesterday in fact, when the same dedicated group of people—and they will attest to the following. In fact I was sitting right in the seat that you occupy now, patiently waiting for my time, religiously respecting the time allocation, having done a good deal of soul-searching and homework, quoting from a prepared text in order to save time and also for the benefit that my question would be better focused.

**Mr Sorbara:** Can you just tell me about 25-metre trailers?

**Hon Mr Pouliot:** Yes, we're getting to that.

**Mr Sorbara:** I didn't realize you were going by way of Manitouwadge.

**Hon Mr Pouliot:** They're not going to be built overnight. It's not something that you have done and "Why haven't you done anything about it?"

**Mr Sorbara:** No—

**Hon Mr Pouliot:** Look, one second—

**Mr Sorbara:** I'm neither for nor strongly against.

**Hon Mr Pouliot:** You asked your question. Have the decency to let me answer.

**Mr Sorbara:** I want to know, are you going to do it today, next month, next year or next Parliament? If so, you won't be able to do it next Parliament.

**Hon Mr Pouliot:** Commoners come to debate in the Legislative Assembly of Ontario. I'm trying to get to the answer to your question. We're studying it, we're looking at it. We realize that in a short time we're going to have to make a decision.

**Mr Sorbara:** Okay, that's it.

**Hon Mr Pouliot:** Will we make a decision on one vehicle, or will we make a decision on the confederation of many vehicles? Where are they going to be allowed to roll if we say yes? What about other jurisdictions? Are we an island? Are we the only jurisdiction which is not allowing larger trucks, at least on divided highways?

We have to look at all that and we're doing just that and we're committed to going to caucus, going to committee. Then eventually, because of due process—you've guessed it—it will find its way into the House with a new proposal that hopefully will address the safety issue, will address the environmental issue and will alleviate the fear and concerns of motorists.

**Mr Sorbara:** Can you tell me what the average time is between when an applicant for a driver's licence makes an application to take a motor vehicle driving test and the time when he or she is actually given that test? Is it a week, a month, three months? What is the average around the province? What is the period of longest delay, what parts of the province experience the longest delay and where is an applicant likely to get a test in the least amount of time?

**Hon Mr Pouliot:** How long does it take if I have a job at the end of the line, Mr Kelly, and I need my driver's licence in order to access that job?

**Mr Sorbara:** That wasn't the question.

**Hon Mr Pouliot:** It's part of the question. I'm just giving an example.

**Mr Sorbara:** No, it's not.

**The Chair:** Mr Kelly, for the record, you're responding to Mr Sorbara's question.

**Mr Kelly:** We try to give driver's tests between the time the person applies to get his driver's test—the waiting period, our standard is between eight and 10 weeks.

**Mr Sorbara:** Eight to 10 weeks?

**Mr Kelly:** Yes, at the present time.

**Mr Sorbara:** I didn't ask what your standard is. I want to know what the actual experience of applicants is in the province.

**Mr Kelly:** It varies throughout the province. The best place is in the north, where it's seven weeks. In the greater Toronto area we have 9.2 weeks at the present time. In eastern Ontario we have a little over 10.5 weeks. In the critical places in some very remote communities where every couple of weeks we bring in a group of people to do the tests, we have 17 weeks to provide that service.

**Mr Sorbara:** I'm not trying to assign any political blame for this. I remember—God, it was a long time ago—when I was 16 years old, in North Toronto, actually at the Downsview facility, applying in the morning and taking the test in the afternoon. That was 30 years ago. So it's been a 30-year deterioration.

1550

**Hon Mr Pouliot:** The driving age was 16 even then, Mr Kelly?

**Mr Kelly:** Yes. One of the things I hope we recognize, Mr Sorbara, is that when most people book for the driver's

test they spend five or six weeks going through driver education. So they book, do their driver education, then come in and have their test. Generally speaking, most of our customers are the younger people graduating out of high school. In the period right now, where I gave you times, the summer period between July and August is the peak period when everybody wants to get their driver's licence. These times fall off in January and February and December, down to around six weeks or four weeks throughout the province.

**Mr Sorbara:** In your view, what is an acceptable period of time?

**Mr Kelly:** Well, you get your driver's licence once in your lifetime. I don't believe that two or three weeks after you go to driver's school is a big hardship on you.

**Mr Sorbara:** So two or three weeks would be acceptable to you?

**Mr Kelly:** Eight weeks, 10 weeks, yes, by the time you go through your driver's test.

**Mr Sorbara:** Do you believe that people should be required to be re-examined every five years?

**Mr Kelly:** No, I don't.

**Mr Sorbara:** Every 10 years? Or ever?

**Mr Kelly:** I believe that the people who demonstrate bad driving habits should be brought in and counselled and, if necessary, when counselling doesn't work, remove the driver's licence. We do that.

**Mr Sorbara:** Do you believe in graduated licences?

**Mr Kelly:** I believe in graduated licences, yes.

**Mr Sorbara:** Will we see graduated licences in the province of Ontario during this Parliament?

**Hon Mr Pouliot:** Do you believe in calling another witness?

**Mr Sorbara:** The minister doesn't have an opinion on any of these things. I'm wondering if anyone does.

**Mr Kelly:** That will of course be up to the Ontario Legislature, but we will be bringing forward, from our end of it, a program for a graduated driver's licence.

**Mr Sorbara:** Will it apply uniformly around the province?

**Mr Kelly:** I would think so.

**Mr Sorbara:** What kind of restrictions would it put on the first-time driver, the person getting a licence for the first time?

**Mr Kelly:** We have various models. The one we favour at the present time would be that they would have to have someone accompanying them when they're driving, someone with at least four years' experience, and they can only drive on certain types of facilities with lower speed limits.

**Mr Sorbara:** Even someone with a four-year, experienced driver with them?

**Mr Kelly:** That is correct.

**Hon Mr Pouliot:** We have all kinds of options, and we're studying them meticulously. We will be coming up with a set of recommendations in relatively short order.

**The Chair:** Mr Sorbara, you still have the floor.



**Mr Sorbara:** I want to ask the minister about the Red Hill Creek Expressway. He said earlier on, in his estimates, that they made an environmental decision—his predecessor described it as a moral decision—and that was the reason they cancelled the expressway. His Premier is quoted as saying that the region of Hamilton-Wentworth can go ahead and build the expressway if they want to pay for it themselves. So who is right? Is the Premier right or are you right? Is the expressway cancelled for environmental reasons, or have you just withdrawn the funding?

**Hon Mr Pouliot:** You know of the commitment and the dedication to address what is a concern. It's obvious that when we're talking about the north-south transportation portion, something more needs to be done. It's overcapacitated: too many vehicles for the number of roads. There's an inability to move people from point A to point B. We will address that. There is no denying of commitment here.

I'll tell you who's right: the people of Hamilton-Wentworth. They're the people who are right. They will be the users. They will be the catalysts in the decision-making process. In cooperation with the Ministry of the Environment—the environment is so important that sometimes it borders on obsession with the Ministry of Transportation.

**Mr Sorbara:** Maybe I could simply repeat my question. The Premier said to the people of Hamilton-Wentworth that they have been authorized to build the Red Hill Creek Expressway in its current approved alignment and that the government of Ontario simply had made a decision to withdraw funding. Now, is that the correct position of the government of Ontario or is the Minister of Transportation's view of it the correct position of the government of Ontario—that is, has the Red Hill Creek Expressway been cancelled and no longer approved by the government of Ontario?

**Hon Mr Pouliot:** As far as the government of Ontario is concerned, the government has no intention to fund the Red Hill Creek Expressway as per the original proposal. Our focus is on seeking and establishing alternatives, and then we have the full intention to assume our financial responsibility vis-à-vis alternatives to the Red Hill Creek Expressway. But that Red Hill Creek Expressway as per the original proposal is not on the table.

**Mr Sorbara:** Therein lies the problem. You say it's not on the table. It has been approved by an environmental assessment board. Do you agree? It's been approved by an environmental assessment board and it is within the competence of the region of Hamilton-Wentworth to build it based on that approval, agreed?

**Hon Mr Pouliot:** I have no mandate to acquiesce, to recognize the jurisdiction of others. I want to wish everyone well, of course. What I can do, though, is reiterate our commitment and take advantage of that opportunity to reiterate the dedication and the commitment of Ontario. Under the auspices of the Ministry of Transportation, we will be there doing our share for an alternative to the Red Hill Creek Expressway with the people of Hamilton-Wentworth.

**Mr Sorbara:** What I want to know is whether you, as minister, and your government and your ministry will in

any way attempt to block the construction of the Red Hill Creek Expressway if the region of Hamilton-Wentworth determines, within its jurisdiction, to proceed based on the approvals it now has.

**Hon Mr Pouliot:** The determination is as follows: It is to find an alternative to the Red Hill Creek Expressway and certainly to go a long way to funding it.

**Mr Sorbara:** Can I ask the Chairman to ask the minister to answer my question?

**Hon Mr Pouliot:** I think I have.

**The Chair:** In fairness, Minister, you haven't, but I don't think you can be impelled to answer the question because Mr Sorbara is asking you if the cabinet can veto an independent decision of the regional municipality of Hamilton-Wentworth, whether or not the Premier of the day is on record as saying, "You can proceed to construct it."

I think Mr Sorbara is calling upon you to respond to a question that is on the border of the estimates process, because he's talking about a hypothetical event.

**Mr Sorbara:** No, it's not hypothetical. They're talking in Hamilton—

**The Chair:** However, if it is Mr Sorbara's time and the minister's, of which you have about three more minutes, and if you wish to exhaust it on this line of questioning, fine, but—

**Mr Sorbara:** I'd like to try to get an answer, because the people of Hamilton-Wentworth say: "We're actively now considering paying for it ourselves. We've got the approval. We may even get a payment retroactively from a succeeding government, but you can never rely on that." I know the Tories, if they get elected, have said as much.

**Hon Mr Pouliot:** Your humour becomes you.

**Mr Sorbara:** The question is: Are you going to get in the way of the building of that expressway if they determine to go ahead with it? If you are, you'd better not give those funny political speeches; you'd better say it right now, because that's one of the options they're looking at. I think it's a pretty simple answer: yes or no. If they decide to fund it and build it themselves, are you or your ministry or your government going to attempt to impede them and stop them from building it?

**Hon Mr Pouliot:** How can we stop people from addressing concerns within their jurisdiction? Even if you would wish to stop things such as projects, you have to make sure they're within your jurisdiction. I'm not so sure. That's why I choose perhaps to focus on the possible: what will be done in addressing the transportation needs of the region, as opposed to what is, with respect, a hypothetical question by virtue of jurisdiction, or the lack of it in our case.

If you wish to be specific and say that we would be talking about a connection at a specific place, and that is under MTO jurisdiction should they proceed, then it becomes less and less hypothetical. But since your time has expired, you'll have to wait until the next round of questions to ask that.

**Mr Sorbara:** Oh, my goodness. Well, with the indulgence of the Chair, I'll tell you how you could impede them. You could prohibit them from linking into Highway 403 or the Queen Elizabeth Way. I want to know—yes or no—would you consider doing that, or will you let them build it, if they decide to fund it themselves?

1600

**The Chair:** I think, Mr Sorbara, we've heard from the Vice-Chairman of the committee that we're not going to get an answer.

**Mrs Marland:** No, no, just one minute. I haven't spoken.

**The Chair:** I would normally recognize you, Mrs Marland, but Mr Turnbull caught my attention first.

**Mr Turnbull:** Minister, if you wanted to impede the Red Hill Creek Expressway, just go down and give one of your long speeches. It will keep them all absolutely on tenterhooks.

I want to talk a little about your opening comments this morning, and specifically about establishing a separate capital financing corporation. It's a little curious when you reflect on your earlier comment when we were asking questions. You said, "We're not mortgaging the future." I assure you, Minister, I'm not saying that establishing a separate financing corporation is necessarily wrong. But I have the following concerns and questions for you.

I think the public needs to be assured that the new corporation will not be used to camouflage the real financial position of the province of Ontario and that the accounting conventions used would not reduce the transparency of public accounts. So my question is: What assurance can the minister provide that this new corporation will not be used as a smokescreen for the provincial deficit?

**Hon Mr Pouliot:** We don't have any intention of using it as a method to create a smokescreen. We're not conjurors of illusions. There are no gimmicks here. We don't intend to cook the books. I don't think it would serve anyone's purpose and I don't believe for one second that any administration would be so inclined. But what we've arrived at is that perhaps the time has come to reflect the financing of a project on the project itself, on the life of the project, as opposed to causing undue burden on one year of budgeting, when you know that the project will last 30 or 40 years. Doesn't it make more sense, like housing?

**Mr Turnbull:** Okay, and you used the example of housing this morning in your opening remarks. It contradicts what you were saying before about not planning on mortgaging the future.

The tradition has been that you recognize the expenditure in government accounting. Let's all face it: Government accounting is terribly convoluted throughout Canada. That's why I was suggesting to you this morning that I did welcome the government's move last year to create separate capital and operating budgets so that it was a little clearer to people. Nevertheless, we still have very, very poor accounting practices in all the provinces and at the federal level.

I'd just like to refer you, Minister, to a report which was made—Shaping Canada's Future Together. These

were proposals by the federal government with respect to the Constitution. I'll just quote briefly from it: "Fiscal co-ordination would be greatly facilitated by making the budget process of the federal and provincial governments more open and visible. Certainly this has been the experience of other federations which have developed procedures to share information and consult with each other in the development of their annual budgets, without compromising necessary safeguards against improper exploitation of the process. The government of Canada therefore proposes to develop with the provinces an annual timetable to allow for a more open and visible federal and provincial budget-making process that would include..." and I run down to the line, "common accounting conventions."

I guess I'm concerned, Minister, that by creating a separate capital financing corporation, you could have the situation that you move off the books the debt, so it would appear at the next election as if you were being fiscally responsible when in fact you are adding debt for infrastructure that previous governments have paid for out of their current budgets. I am not saying that the idea of having separate budgets is wrong, but I don't want the capital fund to disappear into the ether. I notice with great fascination that on this year's budget there was no amortization taken on the capital portion. Last year, when the government introduced a separate capital budget, there was amortization taken. You're playing with the numbers, and as you play with those numbers the public gets a different perception as to the economic position of the province.

My next question is, would this new capital corporation be involved in transactions involving the acquisition of existing public assets or only in the financing of the new infrastructure? For example, would the government sell the SkyDome, which it hasn't been able to unload yet, to this new corporation?

**Hon Mr Pouliot:** The accounting principles you're referring to are the responsibility of the Treasurer, and I know you are not imputing motives. In any event, the bond rating agencies are among the most vigilant. I'm sure, having trodden those circles, you often have met with those gurus of the financial marketplace. My agenda was different and the circles I trod certainly did not lead me to meet too many of those. But you're familiar with that word. Certainly, previous governments or administrations have paid as they went along. One can go to Darlington, a \$14-billion project, which was termed an investment in the future. Certainly, it was not paid.

**Mr Turnbull:** I suppose that's exactly my point, Minister.

**Hon Mr Pouliot:** By the same token, I am aware of some jurisdictions—let me give you an example.

**Mr Turnbull:** Excuse me, Minister. Let's not wander off the point, because you raise a very important point there with respect to Darlington. That's a perfect example. By having it as a separate crown corporation, they were able to raise that amount of money without its being on the books of the government, and that is precisely the point I am making with respect to the creation of a separate



capital financing corporation. That's precisely the point, so you illustrated it for me superbly.

That's why I want to make sure we will have some reflection in the Ontario budget of what we are buying. I ask the question once again: Are we talking about this corporation existing for the acquisition of new capital infrastructure or are we talking about taking existing assets of the province and hiving them off into this corporation?

**Hon Mr Pouliot:** It's no secret to anyone that the province will be looking at ways to dispense with no-longer-needed or "surplus" assets.

**Mr Turnbull:** Do I take that as an affirmative that in fact you would be putting existing assets into this corporation?

**Hon Mr Pouliot:** No, not at all. In terms of the corporation you mention, I'll let Mr Johnston deal with that hypothesis; I don't know what the word is in English.

**Mr Turnbull:** I don't think it's hypothetical inasmuch as you've floated out the potential this morning—

**Hon Mr Pouliot:** No, the formation of a corporation has not happened. It's an option that we're looking at, and we are dedicated to better reflecting economic reality into our accounting system.

**Mr Turnbull:** As this is a relatively straightforward question, it would be one of the basic questions you would already know the answer to.

**Mr Johnston:** The overall objective of looking at innovative financing techniques is to attempt to lower the cost to government. There are three basic aspects that you would want to consider. One is the timing. If you look at the way in which we finance our capital projects now, we expense them in the year in which the construction is undertaken or the equipment is purchased. You'll find a great number of jurisdictions treat a lot of transportation investments as a utility, where they try to expense them over their useful life. So it's the utility function versus expensing out of current revenue; another aspect of that is that if you can do it in the optimum time frame, you get an earlier use of the investment that you have sitting in the ground.

**Mr Turnbull:** I understand that aspect, Mr Johnston. I'm not decrying the concept; I'm just trying to understand how this would work.

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**Mr Johnston:** There are two other aspects to that as well; a second is where you source your financing. If you're dealing with a capital corporation, you're looking at the cheapest way in which you can raise the funding: through private sources, through other contributions, through whatever way you can raise the finance to lower the overall cost and take advantage of some of the private sector opportunities that relate to that. There are a lot of examples you'll find in other jurisdictions where the private sector is being brought in for various purposes in assisting with this capital investment.

The third part is trying to look at the sources of revenue, whether this be through development charges, levies, through tolls on toll facilities and so on. You're really looking at ways to package, through a capital corporation,

the way to optimize the timing of the investment, to optimize the way in which you source your financing and the way in which you optimize your revenue sources.

**Mr Turnbull:** Would the province be guaranteeing the debt of the corporation?

**Mr Johnston:** It's quite possible that in some cases where a purely commercial business case could be built, it would not be necessary. There are examples of that in California right now, where one of the toll facilities that's being built is of a nature that it can be self-financing. It involves a very, very high toll, of course. There are others where they're setting up special state agencies where the state—in the case of Ontario, of course the province—would be involved in providing some assurances behind the loans that are raised to finance that activity.

**Mr Turnbull:** So "some assurances" I take as guarantees?

**Mr Johnston:** Yes, I'm sure there would be some requirement in that regard.

**Mr Turnbull:** How exactly would the corporation reduce the capital financing charges?

**Mr Johnston:** A couple of ways. One is by bringing in added sources of revenue. If we intend to go with ways that have more benefit-sharing between the people that benefit from the investments, whether the users of the facility or the people—

**Mr Turnbull:** We're talking about toll roads, as an example.

**Mr Johnston:** Yes. If you're looking at third-party financing, I think you'll find examples such as in British Columbia, where they went to third-party financing on their rapid transit project, which allowed them to take advantage of some of the tax advantages that are associated with private sector financing which are not available to a government agency.

**Mr Turnbull:** If I remember correctly, that's where Revenue Canada had some difficulties with that procedure.

**Mr Johnston:** I believe you'll find that most provinces in Canada are using some form of this in different program areas.

**Mr Turnbull:** Let's return to the question I had before. Would this be purely to finance new projects or would it be for any existing projects?

**Mr Johnston:** At this point in time, we're looking at the possibility and the options for a capital corporation; it's looking at how to get on with capital investments and infrastructure. If you look at the economic cycle we go through, this is probably the optimum time to make investments. It's a time when the costs are lowest in terms of what it would cost us to build new facilities or buy different types of equipment. The requirements for infusion into the economy for economic recovery and the need for jobs are greatest; also, to position us so that when we come out of the recession, we can respond to the demands that are there. I think often we find that we're fighting against ourselves when we come out of a recession in terms of competing on high-cost products and also having a very

difficult catch-up time. So this is the best time if you can find some innovative way through forums of this nature.

**Mr Turnbull:** I'm taking out of what you've just said that in fact it would include some existing projects that would be financed or refinanced in this way.

**Mr Johnston:** No. I was talking to you more about new investments.

**Mr Turnbull:** This would be strictly new investment in infrastructure?

**Mr Johnston:** Yes.

**Mr Turnbull:** Minister, would this corporation exist for all capital investments in the province or purely for transportation-related investments?

**Hon Mr Pouliot:** That's open. Incidentally, Mr Turnbull, we don't need to go to the corporation to divest from what we as a province now have. We don't need to go that route. No, the capital corporation would be for new projects.

What will be the final definition? I don't know. We're still formulating those. We're still looking at it, whether it's only for transportation, only for specific projects within transportation. I would assume it would have a mandate which is wider than this and that it would encompass other needs as well, other than transportation.

**Mr Turnbull:** If a separate corporation were set up to finance capital outlays, how would projects be prioritized and the level of financing established? Would it be by the government, or would it be by the directors of the corporation?

**Hon Mr Pouliot:** Well, certainly consultation would be alive and well, but in the final analysis, the elected officials would have the say in it. I think that's a normal reaction. The directors of the corporation, perhaps more—we would welcome their input and their comments. But its mandate is to act as a mechanism to make it possible to comply. That's what it is, not the decision-making process; that would be left to elected officials.

**Mr Turnbull:** Then it would very different from the structure of Ontario Hydro, as an example, where theoretically the directors make the decisions.

**Hon Mr Pouliot:** Under the act—

**Mr Turnbull:** You used the example of Darlington before.

**Hon Mr Pouliot:** No, you used the example.

**Mr Turnbull:** No, excuse me. Minister, if you'd look at Hansard—

**Hon Mr Pouliot:** I don't want to zap you here, but let me answer this. You used the example of Ontario Hydro. My understanding is that under—

**Mr Turnbull:** No. I followed from your example of Ontario Hydro.

**The Vice-Chair (Mrs Margaret Marland):** Excuse me. I think in fairness to both you, Mr Turnbull, and the minister, we should stop interrupting each other, because it's very hard for Hansard to pick up who is actually speaking, who actually has the floor.

**Mr Turnbull:** Okay, sorry.

**Hon Mr Pouliot:** I'm just following the mood, Madam Chair, but we're in your hands.

**The Vice-Chair:** You are both doing it to each other, and it's difficult for Hansard. Thank you.

**Mr Turnbull:** Well, Gilles, I know you would hate Hansard to have my words attributed to you.

**Hon Mr Pouliot:** Under the act, and if it's an act, then the province has jurisdictional capacity. For instance, if we wish to recognize a chairperson—it could be any example—and we wish to set the fee for that person, that could be arrived at under the statutes. There's no problem. I know it's not a valid example, because it may not be current, but I could give you all kinds of examples. The province decides who it finances or not, let's face it.

**Mr Turnbull:** Okay. So the province would provide the corporation with a list of projects that it wants financing?

**Hon Mr Pouliot:** I would assume it would do that. The corporation is a mechanism. How often do we have dinner at Go Transit?

**The Vice-Chair:** Yes.

**Mr Turnbull:** That's a good question.

**Hon Mr Pouliot:** Well, I'm going to tell you, elsewhere you dine, but certainly at Go Transit—we had breakfast once, but I've only been in the post for 13 months.

**Mr Turnbull:** Okay, so—

**Hon Mr Pouliot:** No, let me finish. This is 100% an entity of the province, yet they have developed a relationship which some would term to be arm's length.

**Mr Turnbull:** Minister, now that you've boasted that you've been at the trough with Go Transit, let's get back to the question of this separate capital financing corporation. To return to the central point that I'm making, we don't want to get into the situation that the government is moving over a substantial portion of the capital budget to this corporation with it not being reflected as a cost of government, as traditionally it has been by the other two parties in the past. Can you tell me what mechanisms you would put in place or contemplate to ensure that the public, the voter, was aware of the cost of running your government under this scheme?

**Hon Mr Pouliot:** This is excellent food for thought. It's pretty well in that order, the kind of responsibilities we have when we spell out the mandate of the corporation. I know you will wish to trust us, and it will be done pretty well in accordance with the guidelines and also the caution that you so well express. We're looking at exactly these. How insightful indeed.

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**Mr Turnbull:** Would you anticipate that the Treasurer each year would reflect those numbers into the budget, notwithstanding that it had been hived off to the separate capital corporation?

**Hon Mr Pouliot:** At present the Treasurer is a wise sage, and I would expect no less from future treasurers.

**Mr Turnbull:** So that's an affirmative, that in fact it would be reflected in the yearly budget, even though it was



in a separate crown corporation which is, by your suggestion, controlled by the elected politicians.

**Hon Mr Pouliot:** The Treasurer is much more able to answer that interesting question and give it the attention it deserves. I cannot answer for the Treasurer but I would assume that, given not only the prominence of the post but the qualities which are legion with this Treasurer, it would be reflected in the policy.

**Mr Turnbull:** Minister, do you understand the import of those questions in terms of the overall budget impact and what the public sees of the government spending?

**Hon Mr Pouliot:** We certainly understand the responsibility. We take lessons on economics from people. We all have mentors. We're all aware that for every tax dollar that is received by the federal government, 34 cents go to service the debt. Surely we wouldn't wish to find ourselves under that financial state of siege. We're trying to avoid that dilemma.

**Mr Turnbull:** I would sincerely hope that you would remember that. Good.

**The Vice-Chair:** Mr Turnbull, it's a particular frustration for me to be in the chair and tell you that your 20 minutes have expired, particularly so because I had some questions on my own behalf which I'm not going to be able to ask today. Mr Waters and then Mr White.

**Mr Daniel Waters (Muskoka-Georgian Bay):** Mr Minister, I actually have three, and I'm going to start off with a topic that is near and dear to the people of central and northeastern Ontario.

First off, I would like to compliment you on all the work you're doing. I don't know whether to love you or hate you. Everywhere I travel in this province, the roads are under construction and at last being repaired; 90% of them were unsafe to drive on.

**Hon Mr Pouliot:** Don't go now, Mr Turnbull. Listen to this man here.

**Mr Turnbull:** I'd love to be here. I'll be right back.

**Mr Waters:** The only problem is that it makes it difficult for me, Mr Minister, to keep on schedule. But, putting that aside, I truly appreciate the work you're doing in the Highway 12 and 69 area. But once we get above Parry Sound, there's a problem that I never even realized—and coming from central Ontario, my apologies to the people of the area: how much 69 is the lifeline. There are no side roads. There are no secondary highways.

When you get above Highway 69, God forbid if you should ever have an accident on a bridge that takes a bridge out of commission, because there is no alternative. You must go around by North Bay and down 11. That is the only alternative. So you're going to cut off a main corridor. My question, naturally, is, when are we going to have the four lanes up to Sudbury?

**Hon Mr Pouliot:** Being a northerner myself, I can relate to northern communities such as Parry Sound and others that you have named. But to shed more light—

**The Vice-Chair:** No, Parry Sound is Mr Eves.

**Hon Mr Pouliot:** Yes, I'm quite aware he's the representative, but Parry Sound is in northern Ontario—

**Mr Waters:** But I am also concerned about Ernie's riding.

**Hon Mr Pouliot:** —and I'm a northerner myself, like Mr Eves. I can relate to the need to have more and better roads in northern Ontario.

**Mr Waters:** The minister and MOT in general are working their hearts out to get it through my riding. They've already started at a very important intersection in Mr Eves's riding, right at Parry Sound, which has been a killer for a number of years. Last year the minister intervened and indeed they worked on this intersection. The rest of it is very much in Mr Eves's riding. But there is a major transportation problem here and I ask the minister to address it.

**Mr Vervoort:** Highway 69 is in fact quite active, as I had indicated in the question earlier this morning. There are principally three areas. The distance in question on Highway 69, between Sudbury and Port Severn, is a total of 219 kilometres, so you can appreciate it's quite a distance of highway. As you have indicated, it's the principal connection between southern Ontario—Barrie, Toronto—and Sudbury. There are a number of construction activities under way. You've already mentioned one. I'd like to speak to your question in three groups, to break that 219-kilometre section of Highway 69 into three segments and perhaps give you a quick description of what is transpiring in each of the three areas and what is before us.

Starting at the south, the first section is from Port Severn to MacTier. That is a total distance of 33 kilometres. I believe I mentioned this section earlier this morning. I will quickly recount what I had said. We have completed our route planning and environmental assessment work for that section. We are currently in the process of acquiring the land and undertaking the necessary survey and design work. The current schedule for construction on that program envisions a period of construction starting perhaps as early as 1992 and extending over a period of approximately six years. That would take it to approximately 1998.

Again, the caveats related to that of course are successful completion of the engineering, not encountering any unforeseen eventualities and the ability to acquire property in a timely manner. As I mentioned, the estimated engineering costs are about \$9 million, property costs about \$700,000 and the cost of construction for that 33-kilometre section about \$90 million.

The second section I would like to speak to is from MacTier to Highway 559 at Nobel. That's a distance of approximately 50 kilometres. Through that stretch we are currently in the process of doing route planning and environmental assessment work. We anticipate completing that planning work by the end of 1993. The report and documentation would be submitted to the Ministry of the Environment for its review and approval. Assuming that would be available in about 12 months' time would place that completion in late 1994.

Again, the ability to initiate property acquisitions and undertake the design and construction would be subject to Ministry of the Environment approval. But we believe that could begin as early as 1995 and be finished in a time

frame of 2004-05. On that 50-kilometre section we are estimating that the engineering costs would be approximately \$30 million. We anticipate property costs of about \$1.6 million and a total estimated construction expenditure of approximately \$310 million.

The last section of Highway 69 I will speak to is from Highway 559 at Nobel to the Sudbury East limits. That is the long section. It's 136 kilometres in length. There is at present no route planning or environmental assessment available. It is anticipated that in that length we would probably break that down into two parts for purposes of doing the planning and environmental work. Those two studies could be carried out either simultaneously or sequentially. That decision has not yet been made. Of course, as you can appreciate, if done sequentially it would extend the time frames associated with eventual implementation. We anticipate that the earliest start there could be in terms of initiating the planning work is in the spring of 1993.

Given that, and that at this point the time frames are an estimate, we anticipate that we would likely see a project of that length and that magnitude completed in the 1996-97 time frame. It would be approximately three to four years for completion of the work. Again, approvals from MOE would take a year or so, and then, of course, initiation of acquisitions of property and development of detailed design would flow from that.

The estimated engineering cost associated with that 136-kilometre stretch is about \$75 million, and we anticipate property costs of about \$3.3 million and a total estimated construction expenditure of \$750 million. So that is a quick synopsis of the magnitude of the work involved.

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**The Chair:** It's a matter of opinion if that's a quick synopsis. Mr Waters, did you get a full answer there?

**Mr Waters:** I have one question of the minister.

Has the minister looked at coming from both ends, because section 3 is actually the section that is so very much—it's a lifeline with no alternatives. I was up there, caught behind an accident, and had to go back to Parry Sound, over to Highway 11 and back up the other way to get to Sudbury. There are no side roads, there are no secondary roads of any sort once you leave somewhere around the Nobel area, from there north to just south of Sudbury, up through Britt. There is no alternative; it's 69 or nothing. If there was an accident there, you could end up isolating communities.

**The Chair:** Minister, do you wish to respond? If not, Mr White has a question.

**Mr Waters:** Have I run out of time already?

**The Chair:** No, you haven't run out of time, but Mr White has been most patient.

**Mr White:** You have him on the list, though.

**Mr Waters:** I have two quick questions that I'd like to ask the minister.

**The Chair:** I'm not worried about the questions; I'm worried about the answers.

**Mr Waters:** Okay. The minister will be as brief as possible.

**The Chair:** Please proceed, Mr Waters.

**Mr Waters:** Question 2 is on preferential purchasing by the ministry. I have a situation in Muskoka, and I'll give you a case example where we have a local manufacturer of wire and cable, that being Alcan. Its product, which is CSA-approved, was on a ministry site, and the ministry questioned whether it should be there because it was not on its preferred purchasing list or some list, and I find that incredible for a product made in Ontario that is CSA-approved. I would like an answer.

**Hon Mr Pouliot:** Can Ms Kelch shed some light on the purchasing policies of MTO?

**Mr Waters:** I understand that the wire that indeed was recommended, although it's Canada Wire, the product that was needed would have been manufactured in Manitoba.

**The Chair:** Do you understand the question?

**Ms Kelch:** No, I didn't, Mr Chairman; I'm sorry.

**Mr Waters:** Apparently, you have to be on a list of approved or whatever suppliers. I find it incredible that a company that manufactures wire in Muskoka cannot supply wire to an MTO job site in Muskoka. It's all approved by the CSA, and I find it incredible that an Ontario ministry is questioning whether Ontario-produced wire has the right to be there.

**Ms Kelch:** Mr Waters, you're quite correct in terms of there being a list. The list to which you refer is a designated sources list. A whole variety of commodities, everything from wire through aggregate through the roadway—earlier the reference that Ms Mathysen made in terms of the cat's-eyes—everything that we use in construction has to be on the designated sources list in terms of it meeting the standards that are required in the province.

**Mr Waters:** CSA standards are CSA standards. I made wire for years and I can tell you it's a standard that is set by the CSA, and it's for all companies. The other part of it is, the contractor has been doing work for MTO for years, and this is the first time that Alcan's wire has ever been questioned. That's where my problem comes in. Are we doing something different? If so—

**Ms Kelch:** No. Let me continue with the list issue, which is, if in fact the wire—and I'm not aware of the particular circumstance—to which you refer has been CSA-approved, then it probably shouldn't be difficult for it to make it to our designated sources list. If you can provide me with the details, we will certainly follow that up very quickly and ensure that it has gone through the appropriate process in terms of being eligible material to be used on a construction site in the province. There must be some problem other than its CSA problem.

**Mr Waters:** No. You can't sell wire in Ontario unless it's CSA-approved. Hydro won't allow it.

**The Chair:** If I can be of assistance to the committee, the ADM has offered to investigate it and she requires a little additional information. If that is given to her before 5 today, she may be able to respond more fully tomorrow by



noon. If I could leave it at that, Mr Waters, was there another question on that, or can I move to Mr White?

**Mr Waters:** I'll let it go to Mr White.

**Mr White:** Thank you, Mr Waters. Minister, I'm going back to the issues that affect my area in Durham and of course the vital infrastructure that your ministry is planning on providing, whether it's in GO, the 407 or, in this case, the 401 expansion.

As I was saying, our area is waiting desperately, with a lack of transportation infrastructure. We're looking at the 401 expansion. The present widening in east Toronto will be a tremendous asset. Even though it's not in Durham region, it will be a tremendous asset for Durham region.

All of us, I think, were very impressed with the speed and the quality of the work that's gone on to this point. I understand there are plans to go further with that expansion, to bring it out, I believe, as far as regional road 23. I'm wondering what the status of those plans is and when we can expect that widening, especially in those areas that are most congested.

**Mr Vervoort:** The section of Highway 401 that you refer to is currently under construction in parts. The intent is that the current terminus of the core collector system at Neilson Road would be extended easterly to Brock Road. Those are the limits of the current sequence of construction staging.

**Mr White:** Brock Road by what time?

**Mr Vervoort:** I'll get to that specific point. In terms of the nature of the work, what we are doing is going from the six basic lanes to the 12-lane express-collector. We'll be reconstructing several interchanges, as you might appreciate driving through there, at Morningside and Meadowvale—substantially complete. We'll be making modifications at ramp terminals to fit those designs in through the process of the further widenings.

We're also including in there high-mass lighting and the introduction of the safety medium barrier—a concrete tall wall, as it is referred to—and we will be proceeding with that construction continuously and expect that whole link, including the completion to Brock, would be finished in approximately 1998, no unforeseen eventualities arising.

It is, however, expected that there would be interim openings of the collector systems, which are in fact currently being built, and that those would be put into service between Neilson Road and Highway 2 by the fall of 1994. We see some interim openings taking place during the staging of that construction. Three lanes will be kept open at all times.

Roughly, those are the improvements and the time frames.

**Mr White:** Excellent. Thank you.

**The Chair:** Thank you, Mr White. Perhaps at this point, with the committee's indulgence, I might ask the representatives from GO Transit to come forward and answer a couple of very quick questions. Mr Parsons is present today. Is there any objection from the committee?

Mr Parsons, welcome. Thank you. I know you've been a frequent attendee of MTO estimates, and perhaps very

briefly and succinctly you could update the committee on your activities of the last year. That may stimulate one or two quick questions.

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**Mr Parsons:** Thank you very much, Mr Chairman. Once again, Mr Smith, the managing director, is at my side here. We're pleased to report that GO Transit has had moderate growth over the last couple of years. It has somewhat decreased in the last number of months for obvious reasons through the recession, but not as much as municipal transit systems in some situations have. But we do carry 36 million friends, passengers and customers on our system of both trains and buses that we run through the greater Toronto area.

Our operating budget this year is about \$179 million, \$79 million of which comes from the estimates that are before you today and the balance raised from the fare box. We have been mandated over the years, and it hasn't changed, to raise 65% of our costs out of the fare box. Our cost per passenger these days, all in, is about \$5, and 65% of that is paid by the passengers who ride the system.

It is paid on a fare-by-distance basis, not as in Metropolitan Toronto, for instance, where they pay \$1.10 for a single ticket. As all of you know, if you ride to Port Credit, you pay a certain amount; if you ride to Oakville, you pay more. We have monthly passes, 10-ride tickets and single-fare rides.

We have an honour system whereby people buy their transportation, carry it with them on to the train and sometimes get inspected. They get inspected, on average, about 10% of their rides. Our fraud rate, though it's for those who are caught without paying, is somewhat less than 1%, which by international standards is very low. We have a protective force that is there to ensure that we collect—

**The Chair:** I'm sorry. Is that 1% on the total ridership or 1% on those checked?

**Mr Parsons:** It's 1% of the total fares.

**The Chair:** What's the percentage of those checked?

**Mr Parsons:** About 10% are checked, so it's 1% of the total passengers who are found to be evading fares. The fine is \$78.50 on the first offence, and it escalates as high as a jail term for misbehaviour that goes on to a number of offences.

We have a very ambitious expansion program that has been well funded by the province over the years and continues to be. This year our capital budget amounts to \$115 million that is provided in the estimates that are before you today. We have a list of projects that are shown in your book on page 103 under vote 3904, item 8, which sets out the moneys that are proposed to be spent this year with your approval. Each individual project is listed there, and we'd be happy to answer questions on any of those individual items.

An item that has been a thrust of the government is accessibility for those who are disabled. If you were reading the Toronto Star in the last couple of weeks, you might have noticed that we have agreed to spend \$3.3 million to upgrade 42 cars so that wheelchairs may be boarded on to GO cars on the systems where we will have stations that

have elevators to take them up where required where we have a variance of grades. It's not all of our stations on all of our lines, but every station that's being built these days has elevators, and in every station that's being upgraded, an elevator is tantamount.

Mr Jackson, you know that when we opened the Alder-shot station with the minister there we had such a facility, and we're building an upgraded facility at Port Credit at a cost of \$3 million. Right along on all our Lakeshore lines and where we're building other stations, such as Bramalea, there will be facilities for the handicapped. That is a thrust that we're very much taking seriously.

We have all kinds of opportunity for expansion. We have studied electrification and we have a report in hand. Every facility that we construct these days will accommodate electrification if at some point in time a government of the day makes a decision to electrify the system. No bridges are being built that wouldn't have the clearances that would be required to put in electrification if the decision was made by someone in the future that the system should be electrified. It could be electrified in segments. For instance, the Lakeshore might be electrified but other lines not.

At the moment, we're using clean diesel technology. We have a new fleet of General Motors state-of-the-art diesel engines, built at the diesel plant in London, Ontario, 22 of which have been sold to California because we took them down there and showed them off in Houston at the American Public Transit Association conference two years ago. Those are going into service on next October 26 in California, along with 42 cars built in Thunder Bay. So you're going to see a GO train in California. There's already one in Florida adjacent to I-95 that runs down there and is serving very well.

We are on the leading edge, and you have every reason to be proud of the almost \$1 billion that the taxpayers of Ontario have invested in GO Transit over the years. By the way, this year is our 25th anniversary. It doesn't seem that it's gone by that quickly.

**Mr Sorbara:** Time flies when you're having fun.

**Mr Parsons:** Time does fly when you're having fun. I know you're probably burdened with questions, and we would be happy to answer them if there are some items that I haven't touched upon.

**The Chair:** Mr Parsons, if I might just start off on behalf of the committee, can you explain what change in the relationship with GO Transit, if any, has occurred as a result of the creation of the office of the GTA, the greater Toronto area? Do you have any contact, any funding, any relationship, any planning? If so, could you share that briefly with this committee? Or are you, for want of a better phrase, funded and supervised through MTO?

**Mr Parsons:** Totally through MTO. I report to the minister on a monthly basis. We show him our monthly statistics. We show him that we are staying on budget or under budget, hopefully, at all times. The GTA we share information with.

**The Chair:** You don't get any funding from them?

**Mr Parsons:** We have no funding from them and no reporting function to them. Our reporting function is all through the ministry. The minister and I have a memorandum of understanding, which has been something that I've had with all the ministers under whom I have served, and obviously we have our responsibilities that each of us carry out.

**The Chair:** Mr Sorbara has a question.

**Mr Sorbara:** Mr Parsons, I want to ask you first of all about the plans for Union Station, which is, to all intents and purposes, now the hub of the GO system network and increasingly a facility that is used for connecting the GO system with the Metro Toronto transit system. There have been discussions about the province acquiring Union Station and completing that transformation. Where are we at with that project?

**Mr Parsons:** Union Station is the hub in the spokes of the wheel on which we operate. If you take a look at our service map, we go out in spokes from the hub which is Union Station. Negotiations were commenced—it seems a long time ago; it may be six or seven or eight years ago—by the second-last government. The negotiations commenced and stalled; another government was elected and negotiations commenced and seemed to be coming to conclusions. At present the negotiation is continuing, as I understand it, for the acquisition of either the land and buildings or just the land and the buildings but not the air rights. That's something that is ongoing.

I simply say to you that if GO Transit is going to continue to expand, as every one of you expects it will, the successful transformation of Union Station into an expanded facility, doubling the accommodation that we have there today, is necessary. Whether that is done under a lease arrangement or the acquisition of the property will be decided by those people who have that responsibility.

It's key to our success, and I would say we probably have a willing vendor in the property of TTR, which is the Toronto Terminals Railway, 50% owned by CN and 50% owned by CP. These days, those two entities probably have a need for cash flow, as everybody does. But whether it's a lease or whether it's a purchase matters not to GO Transit.

Our plans are to get on with driving elevator shafts down so that we can accommodate the handicapped that I mentioned earlier and so that we can expand platforms to have safety maintained. We unload a 12-car train that carries about 2,000 people arriving either from Whitby or Hamilton, and 2,000 people on one of those platforms is a lot of people. We want to make sure that we always carry people in safety. In 25 years we've never had a fatality of a passenger. We've had fatalities of people doing silly things on railway tracks, but never of a passenger.

**Mr Sorbara:** One other constraint on the expansion of the rail portion of GO Transit is that some of the system is only a single track. I think of the track, for example, to Maple and onward up to Barrie. Where else does that situation exist and what steps are being taken to double-track your entire system so that you can use it efficiently?



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**Mr Parsons:** If I may just go from the lake and from the west to the north, the Lakeshore line, we have two tracks through Port Credit. We have three tracks from Oakville and beyond. We are slightly constrained and we will have to have a third track in that area before too long. On the Brampton line we have a single track that crosses Highway 10 in downtown Brampton, and that's a major constraint for expansion of our GO train service to Georgetown. Moving over towards your side—

**Mr Sorbara:** Who is going to double-track that and how does it get paid for and how long is it going to take to get it done?

**Mr Parsons:** It gets done under a contract the railways issue once they have our agreement in hand that we're going to pay for it 100%. That's the way it's done.

**Mr Sorbara:** It's 100% expenditure of the province.

**Mr Parsons:** That's right. Then as we move over towards your part of the world, the line to Barrie is a single-track line, but with the development that's proposed up that way we can likely expand our trains out to 10 cars and carry, for now, one way in the morning and one way back at night. As it changes, that can be double-tracked, once again with us paying.

Across to the Richmond Hill line, which is a very popular line and which was heavily used during the TTC strike last year, you might recall, that line can be twinned. We presently have a contract that has been issued to Canadian National Railways for the building of rail-to-rail grade separation. If you think of a Highway 401 grade separation, think of trains going under and trains going over. That's going to happen at Doncaster, up the Richmond Hill line just north of Steeles Avenue.

That grade separation is likely to cost about \$60 million. That's our estimate. Some of the funds are provided for in here for the initial part of that work. That allows the 120-car freight trains that are going to Oshawa to deliver parts on time to the factories out there to continue their move across the line as our GO train goes to Richmond Hill. That would provide for all-day two-way service, which is our goal on the Richmond Hill line.

The Stouffville line is a single line, a single track. We run two trains a day there now. That has the possibility of being acquired by the province, because the Stouffville line at this point in time is not a favoured line of CN. I don't suspect that they have a long-term future idea for it there. That does have possibilities. That's just a snapshot of the things—

**Mr Sorbara:** Then east along the lake?

**Mr Parsons:** East along the lake to Oshawa, we presently have three tracks in some places. We need to add an additional track, which is in our budget, between Union Station and Scarborough, because we compete with Via Rail trains on that line, some freight trains and a lot of GO trains.

In addition to that we have a proposal to establish a maintenance facility at Danforth and Main, roughly speaking, which land has been acquired under contract from Canadian National. It's presently the subject of an environ-

mental assessment, which will be completed within the next 30 days and put into the minister's hands to see what the reaction will be of the Ministry of the Environment.

It's a facility that is much needed. If you know where our facility is now in Mimico, we have all our train storage and maintenance done overnight for the trains that are harboured in this area at night. We need a second facility in the east so that we can feed trains into Union Station from both ways at rush hour. Presently they all come in from the west end. That's terribly congesting and it impedes our progress of trains to get away.

**Mr Turnbull:** Just a few very quick questions. My interest was tweaked by the fact that you said you'd sold some locomotives or some rolling stock to California, and that was new stock. What aspect of your mandate allows you to do that?

**Mr Parsons:** I'm glad it tweaked your question, because I didn't explain that properly. Ontario manufacturers sold products in the United States. General Motors Diesel entered into a contract with California to sell its diesels to California. It didn't involve us. They were diesels like the ones we buy, but it was business for Ontario industry, which we encouraged by taking a diesel unit and a double-decker unit down to Houston to a trade show three years ago. They bought the diesels from GM Diesel and they bought 42 cars from UTDC.

**Mr Turnbull:** Okay, and you were recompensed by these corporations?

**Mr Parsons:** No. The only thing we were was the cheering section. We cheered for Ontario industry to make sure that our products were bought in the United States.

**Mr Turnbull:** So the taxpayers paid for a demonstration of General Motors and UTDC stock.

**Mr Parsons:** No, when we went to Houston to this trade show, General Motors took the diesel down there in our colours. They rented it from us, and they paid the rental, they paid the haulage, they paid the display. They brought that diesel unit into a trade show in Houston on the units that they bring in the spaceships. It was most interesting to see. It's been good for Ontario industry.

**Mr Turnbull:** Okay, that's good.

**Mr Sorbara:** Who paid for dinner?

**The Chair:** That was yesterday's question and it was lunch, as I recall.

**Mr Turnbull:** On the Langstaff station—and I spoke briefly to Mr Smith just a little while ago about this one—I know you have a proposal to move the station to the north of Highway 7, soon to be 407.

**Mr Parsons:** Into the jail farm lands.

**Mr Turnbull:** Yes. There were some questions of a hangup on that situation. Have you been able to move forward on that?

**Mr Parsons:** No, at present there's still no resolution. I understand that the land to the north of 407 is owned by the mortgagee, the one that owns the Green Machines, I'm told, so there has been no final determination on that.

**Mr Turnbull:** Okay, but you are progressing with negotiations?

**Mr Parsons:** We're standing by, ready to negotiate.

**Mr Turnbull:** Okay. With regard the tunnel that you would provide to the existing community, where the station is currently located, I believe the plan is for you to provide a triple tunnel, one for the GO lines, one for a dedicated bus service line into the hub and one for a road. Is that correct?

**Mr Parsons:** That's right. That's into the ministry's highway planning stages.

**Mr Turnbull:** Okay. And the road would be maintained so that it would not be cut off to Highway 7?

**Mr Hanton:** I'm Ray Hanton, regional director, central region. You raised this question earlier. I've been waiting for you to bring it up. We have been working with the Langstaff community for at least a year now to develop an alternative access to that community. The existing access they have at the present time to Highway 7 was a temporary access that was granted by the ministry and was to be removed when Highway 407 and Highway 7 were reconstructed through that area. When Highway 407 is reconstructed, Highway 7 must be relocated to the north.

We have been working with GO Transit, the regional municipality of York and the town of Markham as well as the Langstaff community in trying to develop alternative access to the community at such time as Highway 7 is reconstructed, which will be within the next two years. It's progressing quite well, and we hope we can come up with an alternative solution.

We have two or three alternatives on the table at the moment. One of them involves the access you referred to. With the new bridge that will be constructed on Highway 7, there is provision for GO Transit under that structure, and there is also an additional span that could be used for road access into the Langstaff community as well as into the area that Lou Parsons was talking about earlier. That's one of the options. There's also an alternative access and improved access out to Bayview.

**Mr Turnbull:** Okay, good. I don't want to get into that now, because in the interests of these gentlemen not being here tomorrow, I just wanted to cover the GO aspect of things. I appreciate your answer.

**Mr Hanton:** It is in hand and we're working together on it.

**Mr Turnbull:** That's good. I appreciate that. Thank you. What progress are you making with respect to fare integration with other transit systems?

**Mr Parsons:** I'm glad you asked that question, sir. We presently have successful fare integration with 14 systems in the greater Toronto area; for instance, Oakville. In the west, 35% of Oakville Transit's ridership comes and goes from the GO station. In Whitby, we have had even greater success out there with people taking local transit. The idea is to get people to leave their car at home. They buy a pass on Whitby Transit or Oakville Transit. We pay a part of that pass; it saves us providing a parking spot, which costs a lot of money.

We've had probably better success than any system in North America, including the TTC. It really is working well. Frankly, we'd like to see it greatly expanded. We're trying to encourage municipalities. Mississauga, for instance, has been slightly tardy in going as far as Whitby and Oakville have gone. We're encouraging them to improve and we think they will.

**Mr Turnbull:** As far as availability to disabled passengers is concerned, you spoke about elevators at the GO stations, the railway stations. What about the GO buses, making them accessible?

**Mr Parsons:** The minister has made an announcement that commencing next July no buses purchased for our transit purposes in Ontario will be funded by the province of Ontario unless they are handicapped-accessible.

**Mr Turnbull:** So you would not contemplate making any conversion of existing stock?

**Mr Parsons:** No. If we can buy sufficient vehicles, and we do have a turnover, our buses are scheduled for a 12-year turnover. If we can buy sufficient new vehicles, we can strategically place them so that they will have a low-floor bus. This is the dream, not a lift. The lifts that are in the United States are terrible these days because they so seldom get used, and when they go to use them, they fail. So we want a low-floor bus where somebody can take a wheelchair and propel himself or herself up a very slight incline. The minister's action in that regard will help us.

**Mr Turnbull:** Good. A question occurred to me. You're talking about elevators at the GO station. Wouldn't ramps be cheaper?

**Mr Parsons:** No. If I could take you to a GO station where we have a tunnel that goes underneath the tracks—our platforms are in the centre of the tracks. Platforms have tracks on each side, so you have to go under the tracks, which are substantially higher. An elevator is the only way. We do have escalators in a few places, but they don't serve a wheelchair.

**Mr Turnbull:** Yes, surely. Okay, thank you very much.

**The Chair:** Mr Parsons, one last question, if I might: I've been watching the access tiles for the visually impaired community. The Toronto subway system is currently on the verge of acquiring a major contract on a product from the US with ministry funds. I understand you're considering similar tactile tiles but that they're Ontario-produced, for which I want to thank you. Can you briefly update the committee on how you are progressing with that project, what stage it's at, and how many stations you are considering?

**Mr Parsons:** They are presently being installed at Pickering, which is our first station. Once again, with every upgrade from here on in—Port Credit, as it's being upgraded now—will include those tactile things. The other thing we're doing that we hope you're going to approve today, which is in the estimates, is to put in panic bars, the yellow strips along all the cars, which we have now designed and prototyped. They're all going to be put in within the



next 12 months. So if people get into difficulties, they can push that panic stripe and have police officers at the next station.

**The Chair:** I appreciate that. The incident that sparked a lot of people's attention occurred in Mr Carr's and my ridings, and we very much appreciate the quick response from GO and working towards a solution for the entire system.

Recognizing the late hour, and thanking Mr Parsons and Mr Smith for being with us for the day, this committee has completed five and a half hours of its seven and a half hours of estimates. We will reconvene tomorrow at 10 am to complete the estimates of the Ministry of Transportation. This committee stands adjourned.

The committee adjourned at 1701.





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- Lessard, Wayne (Windsor-Walkerville ND)
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- Ramsay, David (Timiskaming L)
- \*Sorbara, Gregory S. (York Centre L)

#### **Substitutions / Membres remplaçants:**

- \*Cleary, John C. (Cornwall L) for Mr Ramsay
- \*Dadamo, George (Windsor-Sandwich ND) for Mr Bisson
- \*Jamison, Norm (Norfolk ND) for Mr Ferguson
- \*Mathyssen, Irene (Middlesex ND) for Mr Perruzza
- \*Turnbull, David (York Mills PC) for Mrs Marland and Mr Carr
- \*Waters, Daniel (Muskoka-Georgian Bay/Muskoka-Baie-Georgienne ND) for Mr O'Connor
- \*White, Drummond (Durham Centre ND) for Mr Frankford

\*In attendance / présents

Clerk pro tem / Greffière par intérim: Mellor, Lynn











